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WELCOME!
The Colorado Public Employees’ Retirement Association (PERA) provides retirement and other benefits to over 600,000 public employees who provide valuable services to all of Colorado.

WHAT IS PERA?
Since 1931, PERA has continued to be the premier public retirement plan in Colorado. PERA is a “qualified” retirement plan under Internal Revenue Code Section 401(a). As a hybrid Defined Benefit (DB) Plan (see page 8 for more information), PERA benefits are based on a formula that is set by state law. For most PERA members, PERA serves as a substitute for Social Security. The function of PERA is to provide present and future retirement or survivor benefits for its members.

Most PERA members do not pay into Social Security system while working for a PERA employer.

Most PERA members don’t pay into Social Security. Any Social Security benefit you may receive through other employment or through a spouse may be reduced by the Windfall Elimination Provision or the Government Pension Offset. For more information, please refer to the PERA and Social Security fact sheet.
WHY IS PERA IMPORTANT TO ME?

PERA provides members and retirees with a comprehensive benefit package that includes the following:

» Lifetime retirement benefits
» Portability provisions
» Tax-deferred interest on member contributions
» Comprehensive disability and survivor benefits
» Annual cost-of-living increases in retirement benefits

VOLUNTARY PERA PROGRAMS

» PERAPlus 401(k) and 457 investment plans
» Low-cost life insurance
» PERACare Health Benefits Program in retirement

PERA MEMBERSHIP

As a new PERA member, you join thousands of other school, state, municipal, judicial, and other local government employees in investing for retirement.

PERA membership includes the following:

» Employees of the State of Colorado
» All school districts
» Judges in the Colorado judicial system
» Many municipalities, special districts, public health departments, and other local government entities

For funding purposes, members and employers are divided into the following divisions: State, School, Local Government, Judicial, and Denver Public Schools (DPS).

See the Your PERA Benefits booklet for more information.
CONTRIBUTIONS TO PERA

As a PERA member, you contribute a percentage of your monthly salary to your PERA DB Plan account. See the table below:

Member Contribution Rates

<table>
<thead>
<tr>
<th></th>
<th>State, School, Judicial, and DPS Divisions</th>
<th>Local Government Division</th>
<th>Safety Officers</th>
</tr>
</thead>
<tbody>
<tr>
<td>July 1, 2019–June 30, 2020</td>
<td>8.75%</td>
<td>8.00%</td>
<td>10.75%</td>
</tr>
<tr>
<td>July 1, 2020–June 30, 2021</td>
<td>10.00%</td>
<td>8.50%</td>
<td>12.00%</td>
</tr>
</tbody>
</table>

Member contributions earn a fixed rate of interest. The interest rate is set by the PERA Board and is subject to change annually. The current rate is 3% compounded annually.

Your employer also contributes a percentage of its total payroll to PERA according to state law. A portion of employer contributions goes to the Health Care Trust Fund to pay health care premium subsidies for benefit recipients. The remaining amount is deposited in pension trust funds to pay benefits.

Under state law, member and employer contributions will adjust beginning July 1, 2020, to ensure that PERA is able to pay off its unfunded liability. Both member and employer contribution rates can each increase (or decrease) by up to 0.5% per year, and cannot exceed certain limits also set in law. The changes are based on PERA’s funded status and are determined each June, a year before any changes are implemented.

Your PERA contributions are tax-deferred, which means they are not considered taxable income for federal and state income tax purposes until they are withdrawn through a refund or a monthly benefit.
SERVICE CREDIT
The amount of service credit you accrue is used to determine eligibility for, and the amount of, benefits paid by PERA. In most cases, you receive a month of service credit for each month of employment that your earned salary is at least 80 times the federal minimum wage hourly rate in effect at the time of service. The current federal minimum wage rate is $7.25 per hour. Any member whose salary is at least $580 ($7.25 x 80) during the month would generally earn one month of service credit. For salary that is less than this amount, service credit will be prorated.

RETIREMENT BENEFITS
Working for a PERA employer means you are eligible to receive a monthly retirement benefit when you meet the age and service credit requirements for retirement. Retirement benefits are based upon your age, years of service, and Highest Average Salary (HAS). If you retire early under a reduced service benefit, your benefit will be reduced.

Highest Average Salary (HAS)
HAS is an average monthly salary figure, calculated by averaging several years of your highest salaries. Each year used in the calculation is a period of 12 consecutive months of service credit during which PERA contributions were paid. The number of years used in the calculation changes depending on when you became a member. If you did not have five years of service credit as of January 1, 2020, or if you begin PERA membership on or after that date, five years of your highest salaries will be used.
PERA BENEFITS AT A GLANCE

Retirement Formula
Your benefit = 2.5% x Your HAS x Years of Service

If you began PERA membership on or after January 1, 2020, the following age and service requirements apply:

PERA Service Retirement Benefit

<table>
<thead>
<tr>
<th>Minimum Age</th>
<th>Minimum Service Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any age</td>
<td>35 years</td>
</tr>
<tr>
<td>64</td>
<td>30 years</td>
</tr>
<tr>
<td>65</td>
<td>Any years</td>
</tr>
</tbody>
</table>

If you began PERA membership on or after January 1, 2020, the following age and service requirements apply for a reduced benefit:

PERA Reduced Retirement Benefit

<table>
<thead>
<tr>
<th>Minimum Age</th>
<th>Minimum Service Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>55</td>
<td>25 years</td>
</tr>
<tr>
<td>60</td>
<td>5 years</td>
</tr>
</tbody>
</table>
**Safety Officers**

For the purposes of PERA benefits, “Safety Officers” include the following employees:

- Peace officers with the Colorado State Patrol and Colorado Bureau of Investigation.
- County sheriffs, undersheriffs, deputy sheriffs, noncertified deputy sheriffs, and detention officers in the Local Government Division whose PERA membership began on or after January 1, 2020.
- Corrections officers classified as I through IV in the State Division whose PERA membership began on or after January 1, 2020.

*Note:* In state statute, these professionals are defined as “State Troopers.”

If you began PERA membership on or after January 1, 2020, the following age and service requirements apply:

**Safety Officers Service Retirement Benefit**

<table>
<thead>
<tr>
<th>Minimum Age</th>
<th>Minimum Service Credit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Any age</td>
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**Safety Officers Reduced Retirement Benefit**

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<tr>
<th>Minimum Age</th>
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<td>55</td>
<td>20 years</td>
</tr>
<tr>
<td>60</td>
<td>5 years</td>
</tr>
</tbody>
</table>

*This retirement eligibility assumes all of your PERA service credit was credited to your account during your employment as a Safety Officer. If you have PERA service credit from membership in a position other than a Safety Officer, including any time spent in the academy as a cadet, please contact PERA for additional information.*
PERAPLUS 401(K) AND 457 PLANS

All PERA members may voluntarily participate in the PERAPlus 401(k) Plan. You may also participate in the PERAPlus 457 Plan if your employer is affiliated with the PERAPlus 457 Plan. The PERAPlus 401(k) and 457 Plans offer a variety of investment choices. Regular contributions and earnings are tax-deferred, which means you won’t pay taxes on this income until you withdraw it.

Members whose employers have adopted the Roth option may make Roth (tax-paid) contributions. Qualified distributions of Roth funds may be free from federal, state, and local taxes.

Shortly after PERA receives your membership information from your employer, you will receive PERAPlus 401(k) Plan information in the mail, including how to enroll and PERAPlus 401(k) Plan investment choices.

LIFE INSURANCE PROGRAM

Low-cost, group decreasing term life insurance is available to PERA members through Unum. You may enroll without evidence of good health within 90 days after your membership begins or during the annual open enrollment period, which is April 1 through May 31 each year.

SURVIVOR BENEFITS

If you die while a PERA member, PERA provides benefits to your survivors at no additional cost. If you have one year of service credit, PERA provides benefits to your qualified survivors or a lump-sum payment to your named beneficiary(ies).

See the Survivor Benefits booklet for more information.
DISABILITY PROGRAM
After you have earned five years of service credit, you may apply for the PERA disability program if you cannot perform your job duties because of a physical or mental disability. Based on your medical condition, you may qualify for either short-term disability or disability retirement. Coverage is part of the PERA program with no premiums required.

See the Disability Program booklet for more information.

ENDING PERA-COVERED EMPLOYMENT BEFORE RETIREMENT
If you end PERA-covered employment before retirement, you may leave your DB Plan account with PERA where it will remain tax-deferred and continue to accrue interest or you may do a rollover/refund of your DB Plan account. If you leave your DB Plan account with PERA, you may receive a monthly benefit when you are eligible. If you do a rollover/refund of your DB Plan account, you forfeit any future right to PERA benefits.

DEFINED BENEFIT AND DEFINED CONTRIBUTION PLANS
As a hybrid DB Plan, the PERA retirement plan is designed to attract and retain employees who are interested in working in PERA-covered employment for a large part of their careers, while providing greater portability than a traditional DB plan.

Unlike a DB plan, a benefit from a defined contribution (DC) plan is based solely on the money you have contributed and investment earnings. In many cases, you determine the amount you want to contribute and you have the flexibility to make investment decisions, which also means you assume the investment risks. The amount of your benefit can sometimes be difficult to determine because it depends on the success of your investment decisions and the uncertainty of your life expectancy.
Over the years, PERA has worked with the State Legislature and others to address issues such as portability, cost-of-living adjustments, and overall improvement of the benefits PERA members receive. These changes have made the PERA DB Plan more flexible and portable. PERA members and the state of Colorado benefit from a conservative yet innovative approach to public pension management.

**Defined Benefit Plan Features**

» Lifetime retirement benefits
» Ancillary benefits such as disability and survivor coverage
» Plans invest for all beneficiaries, and individual contributors do not control the amount of their contributions nor their investments

**Defined Contribution Plan Features**

» Retirement benefit is dependent on the amount in the account and the benefit ends when the account balance is depleted
» Employees contribute to a tax-deferred plan and make their own investment decisions
» Employees have their own unique accounts
» Plan type is generally labeled according to the governing section of the Internal Revenue Code, such as a 401(k) or a 457 plan

**GOVERNANCE OF PERA**

PERA operates by authority of the Colorado General Assembly and is administered under Title 24, Article 51, of the Colorado Revised Statutes. As an instrumentality of the state, PERA regularly reports to various legislative committees. Benefits, contribution rates, and some investment parameters are legislated by the Colorado General Assembly.
BOARD STRUCTURE

PERA is governed by a 16-member Board of Trustees. Twelve Trustees are elected by the membership for four-year terms and serve without compensation. According to state law, Trustees include the following:

» Four members of the School Division
» Three members of the State Division
» One member of the Local Government Division
» One member of the Judicial Division
» Two retirees
» State Treasurer (ex officio)
» Three individuals appointed by the Governor and confirmed by the Senate
» One member or retiree of the DPS Division (non-voting)

MANAGEMENT OF PERA INVESTMENTS

A significant source of revenue to PERA is income from the investment portfolio. The PERA Board of Trustees has the responsibility for the investment of PERA’s funds. These funds are invested in common stock companies, corporate bonds, U.S. Treasury and other government securities, mortgages, real estate property, and other investment vehicles. PERA staff manages more than 61% of the PERA investment portfolio. The remaining amount includes international, real estate, and private equity investments that are externally managed.

FOR MORE INFORMATION

PERA provides the following services and resources to help keep you informed about your PERA membership:

PERA WEBSITE (WWW.COPERA.ORG)

PERA’s website has a variety of information about PERA and its benefits. There are also several calculators available to help members develop financial plans. Publications and forms may be ordered or downloaded through the site. In addition, by using a User ID and password, you may access your PERA DB Plan, PERAPlus 401(k)/457, and PERA DC Plan account information. See “Accessing Your PERA Account” on the back page for more details.
PERA INFORMATION MEETINGS
PERA regularly holds a variety of meetings around the state to inform you about PERA benefits. A schedule of meetings is posted on PERA’s website.

YOUR PERA BENEFITS
This comprehensive overview of PERA’s DB Plan and voluntary plans is revised twice a year—generally around January and July. Every PERA member should have a current copy of this booklet. See PERA’s website for the most current version.

ANNUAL MEMBER STATEMENT
Each year, a personalized statement is sent to you shortly after your PERA membership anniversary date.

MEMBER REPORT NEWSLETTER
All members are sent the Member Report three times a year. This newsletter has valuable information for all PERA members.

PUBLICATIONS
PERA publishes a variety of publications to help members understand their retirement plan. Publications may be ordered or downloaded from PERA’s website or by calling PERA.

EMAIL PERA
You may email PERA through the “Contact Us” link at www.copera.org. However, due to privacy concerns, we will not email specific financial information regarding your member account. If you have a User ID and password, you can log in to your member account and communicate with PERA about your account through the secure correspondence system.

GO PAPERLESS
Sign up to have information delivered electronically by visiting www.copera.org/paperless.
ACCESSING YOUR PERA ACCOUNT

You can access your personal PERA information by logging into your account through www.copera.org.

» You need a User ID and password to access your account. If you have not yet set up your User ID and password, you will first need a PERA Personal Identification Number (PIN). You may request a PIN on the PERA website or by calling PERA’s Customer Service Center.

» You will then log in with your Social Security number (SSN) and PERA PIN.

• After logging in, you will be prompted to create a user security profile with a User ID and password.

» Once your user security profile is complete, you will use your User ID and password combination to access your account in the future.