

Minnesota Public Pension Plan Basics¹

Coordinated Members ²	MSRS General	PERA General	TRA	St. Paul Teachers
Accrual Rate <i>multiplied by high-five salary & years of service</i>	1.7%	1.7%	1.9%	1.9%
Investment Return Assumption	8%	8%	8.5%	8%
Vesting Period	5 years	5 years	3 years	3 years
Active Membership	49,472	148,720	80,526	3,531
Average Earnings	\$55,463	\$37,781	\$56,079	\$71,943
Retiree Membership	32,241	74,949	54,574	1,749
Average Annual Pension	\$19,452	\$12,230	\$22,262	\$18,621
Inactive Membership (former employees)³	17,019	36,817	13,680	2,020
Augmentation Rate⁴	2%	0% ⁵	2%	2%
Employer Contribution Rate	5.5%	7.5%	7.7% ⁶	10.1% ⁷
Employee Contribution Rate	5.5%	6.5%	7.5%	7.5%
Post Retirement Increase (COLA)	2%	1%	2%	1%

Basic Members	MSRS General ⁸	PERA General	TRA	St. Paul Teachers
Accrual Rate <i>multiplied by high-five salary & years of service</i>	N/A	2.7%	2.5%	2.5%
Investment Return Assumption	N/A	8%	8.5%	8%
Vesting Period	N/A	3 years	3 years	3 years
Active Membership	N/A	6	4	3
Average Earnings	N/A	\$66,387	\$94,000	\$122,018
Retiree Membership	N/A	4,283	3,317	1,614
Average Annual Pension	N/A	\$39,269	\$51,312	\$42,518
Employer Contribution Rate	N/A	9.1%	15.14%	13.39%
Employee Contribution Rate	N/A	11.78%	11%	10%
Post Retirement Increase (COLA)	N/A	1%	2%	1%

¹ Sources: relevant sections of Minnesota Statutes and July 1, 2017 plan actuarial valuation reports. All demographic and financial data is as of June 30, 2016.

² Coordinated members **do** receive Social Security. Basic members **do not** receive Social Security.

³ Members who have left public employment but are vested in a pension and receive augmentation.

⁴ Augmentation is an automatic annual increase to pensions earned by former employees.

⁵ Members who terminated employment before January 1, 2012 receive augmentation at an annual rate of 1%. Members who terminate employment after December 31, 2011 do not receive augmentation.

⁶ Blended to reflect rates of 11.14% of pay for members employed by Special School District #1 (Minneapolis) and 7.5% of pay for all other members.

⁷ St. Paul School District pays both a regular employer contribution rate of 6.25% of pay and an additional employer contribution rate of 3.84% of pay for all members.

⁸ The MSRS-General plan does not have any basic active members or retirees.

Public Safety Plans⁹	MSRS State Patrol	MSRS Correctional	PERA Police & Fire	PERA Correctional
Accrual Rate <i>multiplied by high-five salary & years of service</i>	3%	Hired before 7/1/10: 2.4% Hired after 6/30/10: 2.2%	3%	1.9%
Investment Return Assumption	8%	8%	8%	8%
Vesting Period	Hired before 7/1/13: 3 years Hired after 6/30/13: 10 years	Vested 50% after 5 years , increasing 10% each year thereafter	Hired before 7/1/14: Vested 50% after 5 years , increasing 10% each year thereafter Hired after 6/30/14: Vested 50% after 5 years , increasing 5% each year thereafter	Vested 50% after 5 years , increasing 10% each year thereafter
Active Membership	892	4,521	11,389	3,827
Average Earnings	\$78,097	\$52,524	\$76,197	\$50,063
Retiree Membership	844	2,426	7,222	749
Average Annual Pension	\$59,327	\$21,241	\$53,546	\$8,974¹⁰
Employer Contribution Rate	21.6%	12.85%	16.2%	8.75%
Employee Contribution Rate	14.4%	9.1%	10.8%	5.83%
Post Retirement Increase (COLA)	1%	2%	1%	2.5%

Small Group Plans	MSRS Judges	MSRS Legislators¹¹
Accrual Rate <i>multiplied by high-five salary & years of service</i>	Tier I Judges: 3.2% ¹² Tier II Judges: 2.5% ¹³	2.5%
Investment Return Assumption	8%	0% (Pay-as-you-go funding)
Vesting Period	5 years	6 full years or 4 regular legislative sessions
Active Membership	311	23
Average Earnings	\$150,726	\$37,047
Retiree Membership	250	302
Average Annual Pension	\$68,047	\$23,924
Employer Contribution Rate	22.5%	<i>Plan is funded by an annual appropriation to fund benefits</i>
Employee Contribution Rate	Tier I Judges: 9% Tier II Judges: 7%	9%
Post Retirement Increase (COLA)	1.75%	2%

⁹ The State Patrol and PERA Police & Fire plan members **do not** receive Social Security. MSRS and PERA Correctional plan members **do** receive Social Security.

¹⁰ A relatively new plan. Members have not accrued much service credit so the benefits are smaller.

¹¹ The Legislators Plan was closed to new members in 1997.

¹² Tier I includes judges appointed/elected before July 1, 2013.

¹³ Tier II includes judges appointed/elected after June 30, 2013.