

Public Employee Retirement Association (PERA) FAQ

Where do I go with questions regarding PERA:

The best place to get answers to your questions regarding PERA, is to their website. Here is a link to their web page's frequently asked questions under their Resources tab.

http://www.mnpera.org/index.asp?Type=B_BASIC&SEC={988EB0A7-B751-45C4-81C8-644B1218F78E}

Topics covered are:

- Name, address & beneficiary changes
- Marriage Dissolution
- Service Credit
- Retiring
- Terminating employment
- Membership

I am resigning my employment. What do I need to do?

When a member terminates employment, his or her options are tied to the service credit accumulated from PERA-eligible positions.

In order to qualify for a pension from PERA, the member must be vested. For those who have PERA membership prior to June 30, 2010, vesting occurs once they have three years of service credit (for each month in which a person has earnings, he or she receives one month service credit). If the person first became a member after June 30, 2010, five years of service credit is needed to be vested.

Vested members have three options upon termination:

1. Apply for PERA benefits - Specific rules with regard to age and number of years of service govern when a member may retire and the amount of the pension. Refer to PERA's Web site or plan specific handbooks for details.
2. Request a refund - Members who do so only get the employee portion, plus interest, but minus federal income taxes.
3. Defer the money. Members are not required to withdraw PERA funds. They can defer the money until a later date - The account accrues interest from the termination date until the funds are ultimately withdrawn.

A member who terminates prior to vesting can either request a refund or defer the money until a later time. They are not eligible for a monthly benefit from PERA.

We strongly urge any members who have questions related to PERA refunds or benefits to contact PERA's Member Services department.

What do I need to do to retire from Prior Lake-Savage Area Public Schools?

- Submit a letter indicating your intent to retire to your supervisor and to the Director of Human Resources.
- Contact PERA for the calculation of your Retirement Benefit
- Give as much notice as possible to arrange for coverage of job responsibilities.
- Meet with the PLS designated 403(b) vendor to open an account to receive your severance payout if applicable (refer to your contract language)
- Complete a Benefit Election Form that will be sent to you by U.S. mail from the Corporate Health Systems (if applicable)

What will Human Resources do to ensure a smooth retirement transition for me?

- Review your work history to determine your severance benefit eligibility and calculation
- Submit your retirement request for School Board consent
- Notify Corporate Health Systems of your retirement to initiate retirement benefit election information to be mailed to you (if applicable)

What will happen to my benefits?

If you have insurance benefits, you will receive a packet from Corporate Health Systems asking if you would like to continue your health, dental, or life insurance. It is important that you review this information and document your request to extend insurance benefits at this time.