



Welcome
to a presentation for



MainePERS State Members



MainePERS
PUBLIC EMPLOYEES RETIREMENT SYSTEM

Non-MainePERS Benefits

Health Insurance

For questions regarding health insurance

please contact State Employee Health & Benefits:

1-800-422-4503 or (207) 624-7380

Social Security

Social Security Administration online: www.SSA.gov

Key Words:

Government Pension Offset

Windfall Elimination Provision



Qualifying for **Service Retirement**



Qualify to begin receiving benefits by **either**:

- Accruing 25 years of **creditable service**
- or**
- Reaching your **Normal Retirement Age** as a vested member
- or**
- Meeting **Special Plan** requirements



Normal Retirement Age (NRA)

➤ Age 60 plan

- At least 10 years of creditable service by June 30, 1993

➤ Age 62 plan

- Fewer than 10 years of service by June 30, 1993
- At least 5 years by June 30, 2011

➤ Age 65 plan

- Fewer than 5 years by June 30, 2011



BENEFIT CALCULATION ESTIMATE



SAMPLE

Benefit Effective Date: 1/1/2020

Pension Type: Service Retirement

Name	DOB	Age @ Effective Date
Member: Smith, Joe	08/29/1950	67
Beneficiary: Smith, Jane	03/28/1952	65

- **Effective Date**
- **Rounded Age**
- **Age Reduction for Early Retirement**
- **Retirement vs. Pre-Retirement vs. Group Life Beneficiary**



SAMPLE

Service History

Total Service	Contributions & Interest	AFC Group	AFC
27.0000	\$151,055.89	ST1/3	\$47,250

- **Membership Service**
- **Contributions and Interest**
- **Average Final Compensation (AFC)**
 - High Three Year Average
 - Lost Earnings



AFC Cap Provisions

SAMPLE

Year	Earnings	5% cap	10% cap	AFC Earnings	Excluded Earnings
2017	\$ 45,000	--	--	\$ 45,000	\$0
2018	\$ 48,000	\$47,250	--	\$ 47,250	\$750
2019	<u>\$ 50,500</u>	\$49,613	\$49,500	\$ 49,500	\$1,000
			Total	\$ 141,750	

$$\begin{array}{r}
 \text{Capped AFC} \\
 \hline
 \text{\$ 141,750} \div 3 \\
 \hline
 \text{\$ 47,250}
 \end{array}$$

Sick/Vacation at Retirement

Accruals with the final position and final employer, at retirement, subject to restrictions and limitations



Unused/Unpaid Days

Age 60, Age 62, Age 65 plans

Service credit granted for up to 90 days

Pro-rated if fewer than 90 days

Paid Days

Age 60 plan only

Up to 30 days of lump-sum payment included in calculation of the AFC

Subject to cap provisions

Explanation of Options

SAMPLE

Benefit Options

<u>Option</u>	<u>Your Monthly Benefit</u>		<u>Your Surviving Beneficiary's Monthly Benefit</u>	<u>Your Surviving Monthly Benefit</u>
Full Benefit:	\$ 2,126.25		\$ 0.00	\$ 2,126.25
Option 1 Benefit:	\$ 2,031.88			\$ 2,031.88
Option 2 Benefit:	\$ 1,703.13	100%	\$ 1,703.13	\$ 1,703.13
Option 3 Benefit:	\$ 1,892.36	50%	\$ 946.18	\$ 1,892.36
Option 4 Benefit:	\$ 1,964.66	33%*	\$ 711.23	\$ 1,964.66
Option 5 Benefit:	\$ 1,464.56 (80%*) to you and \$ 366.14 (20%*) to beneficiary \$ 1,830.70 Total Per Month	80%*	\$ 1,464.56	\$ 1,464.56
Option 6 Benefit:	\$ 1,628.71	100%	\$ 1,628.71	\$ 2,126.25
Option 7 Benefit:	\$ 1,845.59	50%	\$ 922.79	\$ 2,126.25
Option 8 Benefit:	\$ 1,932.76	33%*	\$ 637.81	\$ 2,126.25

* *The percentage shown is only one variation available under this benefit option. If you wish to be provided with the benefit amounts payable using other percentages, please let us know.*

Retirement Payments



- **Retirement Effective Date**
- **You can change your mind prior to issuance of your first benefit payment**
- **We pay at the end of every month for that month**

Preliminary Benefit Program

- ▶ **Paid based on your estimate**
- ▶ **Benefit finalized**
- ▶ **Direct Deposit Required**
- ▶ **Advice of Deposit**
- ▶ **Benefit Taxability**





COLA (Cost-of-Living Adjustment)

- **Eligibility: Age 60 or 62/65**
- **Age 60: 12 months**
- **Age 62/65: 12 months after NRA**
- **COLA paid in September (when granted)**
- **COLA base = \$24,186.25**

Retiring And Returning To Work

- Must terminate **all MainePERS covered positions** before retiring
- If you are **under Normal Retirement Age** must have a **bona fide** termination—may not discuss re-employment prior to termination
- Must wait **at least 30 days from termination date** before returning to work
- Re-employment must be **after retirement effective date** and **after retirement application submitted**



Returning to Work **Restrictions**

Younger than Normal Retirement Age:

- If you return to work as a retiree and you are still **younger than NRA**, may not work more than **90 days per year**.

Normal Retirement Age or older:

- **No restrictions**

Group Life Insurance Program



For those who participate in the MainePERS Group Life Insurance Program:

Eligibility Requirements

- ▶ 10 years of coverage (does not have to be continuous)
- ▶ Coverage is in effect and final premium paid at termination
- ▶ The **retirement effective date and completed retirement application** must be received by MainePERS within 31 days of termination of employment.

Group Life Insurance Program

SAMPLE

Continued basic group life insurance benefit schedule

3-YEAR AVERAGE OF \$47,300

<u>FROM</u>	<u>THROUGH</u>	<u>AMOUNT</u>
01/01/2020	12/31/2020	\$47,300 (full coverage)
01/01/2021	12/31/2021	\$40,205 (85%)
01/01/2022	12/31/2022	\$33,110 (70%)
01/01/2023	12/31/2023	\$26,015 (55%)
01/01/2024	AND THEREAFTER	\$18,920 (40%)



Maine
PERS

**Thank you for attending
today's session!**

**If you have additional questions,
please contact us.**

State@MainePERS.org

207-512-3100

www.MainePERS.org

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