



Welcome  
to a presentation for



# MainePERS Teacher Members



**MainePERS**  
PUBLIC EMPLOYEES RETIREMENT SYSTEM

# Non-MainePERS Benefits

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## Health Insurance

For questions regarding health insurance

**please contact your school business office  
or insurance provider directly**

Patty Whitcomb at **Anthem: 1-888-399-8706**

## Social Security

Social Security Administration online: [www.SSA.gov](http://www.SSA.gov)

**Key Words:**

**Government Pension Offset**

**Windfall Elimination Provision**



# Qualifying for **Service Retirement**

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

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



# 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



# Explanation of Estimate

## BENEFIT CALCULATION ESTIMATE



**SAMPLE**

**Benefit Effective Date: 07/1/2022**

**Pension Type: Service Retirement**

<u>Name</u>	<u>DOB</u>	<u>Age @ Effective Date</u>
<b>Member: Smith, Joe</b>	<b>08/29/1960</b>	<b>62</b>
<b>Beneficiary: Smith, Jane</b>	<b>03/28/1962</b>	<b>60</b>

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



# Explanation of Estimate

**SAMPLE**

<i>Service History</i>			
<b>Total Service</b>	<b>Contributions &amp; Interest</b>	<b>AFC Group</b>	<b>AFC</b>
27.0000	\$151,055.89	ST1/3	\$47,250

- **Membership Service**
- **Contributions and Interest**
- **Average Final Compensation (AFC)**
  - High three-year average



# AFC Cap Provisions

**SAMPLE**

School Year	Earnings	5% cap	10% cap	AFC Earnings	Excluded Earnings
2019-2020	\$ 45,000	--	--	\$ 45,000	\$0
2020-2021	\$ 48,000	\$ 47,250	--	\$ 47,250	\$750
2021-2022	<u>\$ 50,500</u>	\$ 49,613	\$ 49,500	\$ 49,500	\$1,000
			Total	\$141,750	

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

# Sick/Vacation at Retirement

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



## Employer Paid Days

**Age 60 plan only**

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

Subject to cap limitation

## Unpaid Days

**Age 60, Age 62, Age 65 plans**

Service credit granted for up to 90 days

Pro rated if less than 90 days



# 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 <b><u>and</u></b> \$ 366.14 (20%*) to beneficiary \$ 1,830.70 <b>Total Per Month</b>	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

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- **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**

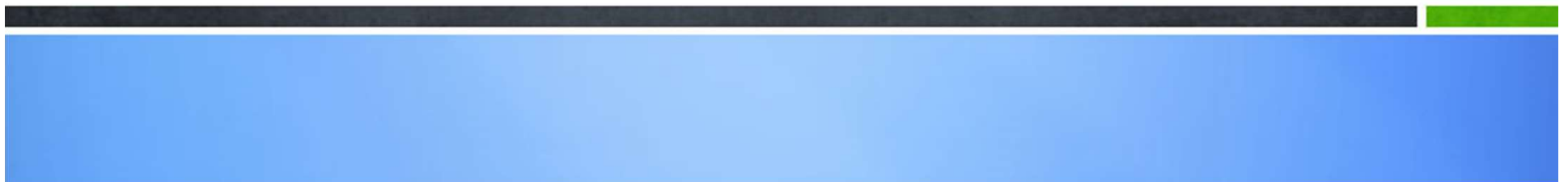


# Preliminary Benefit Program

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- ▶ **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 = \$24,911.84 for 2023**

# Retiring And Returning To Work

- Must terminate **all MainePERS covered positions** before retiring
- 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**
- If you are **under Normal Retirement Age** must have a **bona fide** termination—may not discuss re-employment prior to termination



# Returning to Work **Restrictions**

## Younger than Normal Retirement Age:

- If you return to work as a retiree and you are still **younger than NRA** then you are limited to **90 days per school 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

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**SAMPLE**

## Continued basic group life insurance benefit schedule

**3-YEAR AVERAGE OF \$47,300**

<u>FROM</u>	<u>THROUGH</u>	<u>AMOUNT</u>
07/01/2023	06/30/2024	\$47,300 (full coverage)
07/01/2024	06/30/2025	\$40,205 (85%)
07/01/2025	06/30/2026	\$33,110 (70%)
07/01/2026	06/30/2027	\$26,015 (55%)
07/01/2027	AND THEREAFTER	\$18,920 (40%)





**Maine**  
**PERS**

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

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

**Telephone: (207) 512-3100**

**Toll free: (800) 451-9800**

**TTY: (207) 512-3102**

**Teacher@mainepers.org**

**[www.MainePERS.org](http://www.MainePERS.org)**

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