

Comparative Summary of Proposed Funding Plans

	PERS	STRS	SERS	OP&F	HPRS
Contributions (Legislation required)	No proposed changes.	Employee rate increased from 10% to 12.5% beginning 7/1/2011 phased in by 0.5% per year. Employer rate increased from 14% to 16.5% beginning 7/1/2016 phased in by 0.5% per year.	No proposed changes.	Employee rate increased from 10% to 12% phased in by 0.5% increments from 2010 to 2013. Employer rate for police increased from 19.5% to 24% phased in by 0.5% in 2010, 2% in 2011 and 2% in 2012. Employer rate for police and fire increased from 24% to 25% (1/1/2013).	Employee rate increased from 10% to 11%. (Employer rate increased from 25.5% to 26.5% pursuant to board action effective 7/1/2009; H.B. 1 capped the employer rate at 26.5%.)
Retirement Eligibility (Legislation required)	Normal retirement increased from 65 to 67 with 5 YOS and from 30 to 32 YOS at any age; Early retirement increased from 60 to 62 with 5 YOS and from 55 to 57 with 25 YOS, with actuarially-reduced benefits. ¹	Normal retirement increased from 30 to 35 YOS at any age (retains age 65 with 5 YOS); 30 YOS at age 60. Early retirement increased from 25 to 30 YOS at age 55 (retains age 60 with 5 YOS), with actuarially-reduced benefits.	Normal retirement increased from 65 to 67 with 10 YOS and from 55 to 57 with 30 YOS. Early retirement retained at age 62 with 10 YOS and age 60 with 25 YOS, with actuarially-reduced benefits, and applied to members hired prior to S.B. 148 (eff. 5/14/08)	Normal retirement increased from 48 to 52 with 25 YOS for <i>new hires</i> only. Early retirement available at age 48 with 25 YOS, with actuarially-reduced benefits for <i>new hires</i> .	No proposed changes.
Benefit Accrual Rate (Legislation required)	Benefit formula changed to 2.2% for the first 35 YOS, plus 2.5% for YOS after 35 (instead of 30). Minimum benefit of \$86 per YOS eliminated.	Benefit formula changed to flat 2.2% for the first 30 YOS, plus flat 2.5% for YOS after 30. 35-year incentive of 88.5% of FAS eliminated. ¹¹	No proposed changes.	No proposed changes.	No proposed changes.
FAS	FAS changed from average 3 to 5 years; limit	FAS changed from average 3 to 5 years.	No proposed changes.	FAS changed from average 3 to 5 years for	FAS changed from average 3 to 5 years.

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(Legislation required)	increase to 10% per year.			members with < 15 YOS.	
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COLA (Legislation required)	Lesser of actual change in CPI-W or 3% for <i>future</i> retirees only.	COLA reduced from 3% to 2% for <i>current</i> retirees and to 1.5% for <i>future</i> retirees.	No proposed changes.	COLA deferred until age 55 for <i>current</i> and <i>future</i> retirees, except surviving beneficiaries (12 months after effective date of benefit).	COLA decreased from 3% to 2% for <i>current</i> and <i>future</i> retirees, except for retirees who are age 65 and receiving a pension of less than 185% of federal poverty level (\$26,000). COLA deferred until age 60 for service retirees (currently age 53). Board authority to increase COLA up to 3% when funds are available.
Allocation to Retiree Health Care Benefits (Board may determine amount allocated to retiree health care.)	Reduced from 7% to 5.5% in 2009 and, in 2010, to 4%.	No proposed changes.	Reduced from 4.16% to estimated 0.31%, <i>excluding</i> employer health care surcharge of 1.5%.	Reduced from 6.75% to 4.8%. (Ties health care premium subsidy to years of service for new retirees up to a maximum 75% of monthly premium.)	Reduced from 5.5% to an amount necessary to bring plan to a 30-year funding period (estimated 0.3% reduction)
Part-Time/Full-Time Service Credit (Legislation required)	Increased from \$250 to \$1,000 per month to earn one month of credit, indexed to wage inflation.	No proposed changes.	No proposed changes.	Not applicable	Not applicable
Purchased Service Credit (Legislation required)	Require member to pay 100% of liability resulting from purchase.	Require member to pay 100% of liability resulting from purchase.	Require member to pay 100% of liability resulting from purchase.	Require member to pay 100% of liability resulting from purchase.	Require member to pay 100% of liability resulting from purchase.
DROP Plans (Legislation required,	Not applicable	Not applicable	Not applicable	Interest reduced from 5% to 3%; minimum period (no penalty) increased	Additional 1% employee contribution paid to HPRS, not DROP account.