

**Comparison of MSRS, PERA, TRA, and First Class City Teacher Retirement Fund Association  
Financial Sustainability Proposals  
(S.F. 2573, State Govt. Budget Division Report)**

| Source Bill(s):   | SF2573/HF2952   |  |   |   |   |   | SF2631/HF2999   |   |   | SF2499/HF2953   | LCPR10-038   | SF2404/HF 2951                                    |
|---|---|--|---|---|---|---|---|---|---|---|--|---|
|   | MSRS-General  | MSRS-Correct.  | State Patrol  | Judges  | Legislators   | ESO   | PERA-General  | PERA- Correct.  | PERA-P&F  | TRA   | DTRFA  | SPTRFA  |
| a. Contributions  |   |  |   |   |   |   |   |   |   |   |  |   |
| 1. Member   | --  | --   | +0.8%   | --  | --  | --  | +0.25%  | --  | +0.2%   | +2.0%   | +1.00%   | +1.00% Coord;<br>+1.00% Basic                     |
| 2. Employer   | --  | --   | +1.2%   | --  | --  | --  | +0.25%  | --  | +0.3%   | +2.0%   | +1.00%   | +1.00% C&B  |
| 3. Employer additional  | --  | --   | +10.0%  | --  | --  | --  | --  | --  | --  | --  | --   | --  |
| 4. Contribution rate stabilizer                                       | --  | --   | --  | --  | --  | --  | Modified  | --  | --  | Added   | --   | --  |
| b. Post-retirement adjustments  | Reduced from 2.5% to 2.0%, restored when 90% funded on MVB,* 6-mo. waiting period imposed for initial increase. | Reduced from 2.5% to 2.0%, restored when 90% funded on MVB,* 6-mo. waiting period imposed for initial increase.    | Reduced from 2.5% to 2.0%, restored when 90% funded on MVB,* 6-mo. waiting period imposed for initial increase. | Reduced from 2.5% to 2.0%, restored when 90% funded on MVB,* 6-mo. waiting period imposed for initial increase. | Reduced from 2.5% to 2.0%, restored when 90% funded on MVB,* 6-mo. waiting period imposed for initial increase. | Reduced from 2.5% to 2.0%, restored when 90% funded on MVB,* 6-mo. waiting period imposed for initial increase. | Reduced from 2.5% to 1.0%, restored when 90% funded on MVB,* rate reduced if fund later declines from 90% funded.                           | Reduced from 2.5% to 1.0%, restored when 90% funded on MVB,* rate reduced if fund later declines from 90% funded.                           | Reduced from 2.5% to 1.0% for 1/1/2011 and 1/1/2012, then equal to the CPI percentage for the preceding fiscal year, not to exceed 1.5% until 90% funded on MVB,* then not to exceed 2.5%, but rate reduced if fund later declines from 90% funded. | Adjustments suspended for 1/1/ 2011 & 1/1/2012, reduced from 2.5% to 2.0%, restored when 90% funded on MVB,* 6-mo. waiting period for initial increase. | 0% when less than 80% funded on MVB,* 1% when 80%-90% funded on MVB,* and 2% when more than 90% funded on MVB,* when 90% funded on AVB** moves to inflation match up to 5% | No adjustment will be paid in calendar year 2011. |
| c. Interest on refunds  | Reduced from 6% to 4% after 6/30/2011   | Reduced from 6% to 4% after 6/30/2011  | Reduced from 6% to 4% after 6/30/2011   | Reduced from 6% to 4% after 6/30/2011   | Reduced from 6% to 4% after 6/30/2011   | --  | Reduced from 6% to 4% after 6/30/2011   | Reduced from 6% to 4% after 6/30/2011   | Reduced from 6% to 4% after 6/30/2011   | Reduced from 6% to 4% after 6/30/2011   | Reduced from 6% to 4% after 6/30/2011  | --  |
| d. Deferred annuities augmentation                                    | Reduced from 5, 3, or 2.5% to 2% after 12/31/2010   | Reduced from 5, 3, or 2.5% to 2% after 12/31/2010  | Reduced from 5, 3, or 2.5% to 2% after 12/31/2010   | Reduced from 5, 3, or 2.5% to 2% after 12/31/2010   | Reduced from 5, 3, or 2.5% to 2% after 12/31/2010   | --  | Reduced from 5, 3, or 2.5% to 1% for plan members terminating before 1/1/2011, and eliminated for plan members terminating after 12/31/2010 | Reduced from 5, 3, or 2.5% to 1% for plan members terminating before 1/1/2011, and eliminated for plan members terminating after 12/31/2010 | Reduced from 5, 3, or 2.5% to 1% for plan members terminating before 1/1/2011, and eliminated for plan members terminating after 12/31/2010   | Reduced from 5, 3, or 2.5% to 2% after 6/30/2010  | Reduced from 5, 3, or 2.5% to 2% after 6/30/2010   | --  |
| e. Reemployed annuitant earnings limitation deferral account interest | Eliminated after 1/1/2011   | Eliminated after 1/1/2011  | Eliminated after 1/1/2011   | --  | --  | --  | Eliminated after 1/1/2011   | Eliminated after 1/1/2011   | Eliminated after 1/1/2011   | Eliminated after 1/1/2011   | Eliminated after 6/30/2010   | --  |
| f. Vesting service requirement  | For new members after 6/30/ 2010, increased from 3 years to 5 years.  | For new members after 6/30/ 2010, increased from 3 years to 10 years.  | For new members after 6/30/ 2010, increased from 3 years to 5 years.  | --  | --  | --  | For new members after 6/30/ 2010, increased from 3 years to 5 years.  | For new members after 6/30/ 2010, incr. from 3 yrs to 50% vested w/5 yrs-100% w/10 yrs.   | For new members after 6/30/ 2010, incr. from 3 yrs to 50% vested w/ 5 yrs – 100% w/10 yrs.  | --  | For new members after 6/30/ 2010, increased from 3 years to 5 years.   | --  |
| g. Early retirement reduction factor, per year under age 55           | --  | For pre-6/30/2010 members retiring after 6/30/2015 & for new members after 6/30/ 2010, increased from 2.4% to 5.0% | For new members after 6/30/ 2010, increased from 1.2% to 2.4%   | --  | --  | --  | --  | --  | --  | --  | --   | --  |
| h. Benefit accrual rate percentage, per year of high-5 average salary | --  | For new members after 6/30/2010, reduced from 2.4% to 2.2%   | --  | --  | --  | --  | --  | --  | --  | --  | --   | --  |

\*MVB = Market Value Basis

\*\*AVB = Actuarial Value Basis