



# PLANNING AHEAD FOR YOUR PERS RETIREMENT

Walter Zeron  
Director of Communications



# Today's Topics

---

- Constitutional Authority
- What is PERS?
- Service Retirement
- Purchase of Service
- Survivor Beneficiary Form
- Disability Retirement
- PERS Website

# Constitutional Authority

Any money paid ... for the purpose of funding and administering a public employees' retirement system, must be segregated in proper accounts in the state treasury, and such money must never be used for any other purposes, and they are hereby declared to be trust funds for the uses and purposes herein specified.

## **1996 Amendments:**

Any money paid for the purpose of funding and administering a public employees' retirement system must not be loaned to the state or invested to purchase any obligations of the state.

The public employees' retirement system must be governed by a public employees' retirement board. The board shall employ an executive officer who serves at the pleasure of the board. In addition to any other employees authorized by the board, the board shall employ an independent actuary. The board shall adopt actuarial assumptions based upon the recommendations made by the independent actuary it employs.



# What is PERS?

---

Defined benefit plan (401A.) Established by Legislature in 1947

## **Purpose:**

- Provide a reasonable base income
- Encourage public service
- Long-term employment

## **PERS Achieves this by:**

- Monthly lifetime benefits defined by formula
- Employee and employer contributions
- Long-term investment by PERS



# Service Retirement Eligibility

## Eligibility for Regular Members

Years of Service & Age Required to Receive an Unreduced Benefit

Enrolled before 1/1/2010	Enrolled between 1/1/2010 & 6/30/2015	Enrolled on/after 7/1/2015
5 Years & Age 65	5 Years & Age 65	5 Years & Age 65
10 Years & Age 60	10 Years & Age <b>62</b>	10 Years & Age 62
30 Years & Any Age	30 Years & Any Age	30 Years & Age <b>55</b>
		<b>33.3 Years &amp; Any Age</b>



# Service Retirement Eligibility

## Eligibility for Police/Fire Members

### Years of Service & Age Required to Receive an Unreduced Benefit

Enrolled prior to 12/31/2009	Enrolled between 1/1/2010 & 6/30/2015	Enrolled on/after 7/1/2015
5 Years & Age 65	5 Years & Age 65	5 Years & Age 65
10 Years* & Age 55	10 Years* & Age <b>60</b>	10 Years* & Age 60
20 Years* & Age 50	20 Years* & Age 50	20 Years* & Age 50
25 Years* & Any Age	<b>30</b> Years & Any Age	30 Years at <b>Age 55</b>

\*Years must be served in a covered P/F position

# Benefit Calculation Factors

---

## **Service Credit**

- Years, months and days worked

## **Average Compensation**

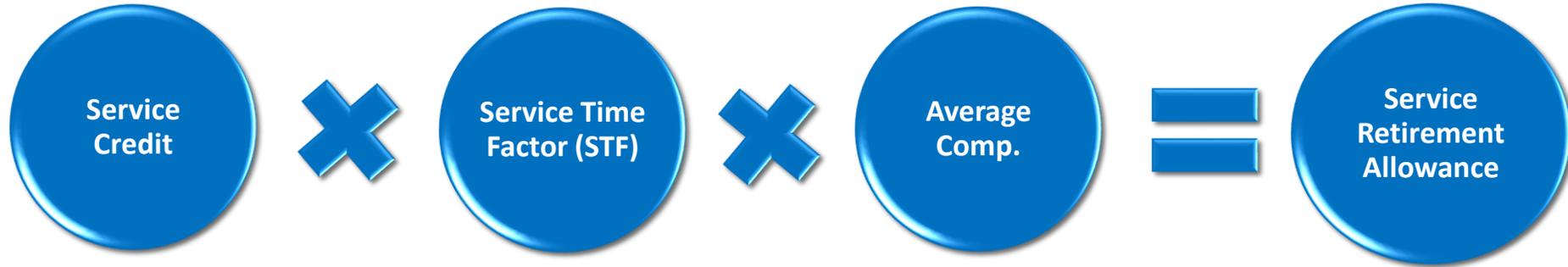
- Average of the highest 36 consecutive months of salary
- 10% yearly increase cap for members enrolled on or after January 1, 2010 (Promotions excluded)

## **Age**

- Age of the member and beneficiary at the time of retirement



# Benefit Formula for Members Enrolled on or after 7/1/2015



Sample Calculation:

20 years Service Credit & \$3000 Average Compensation

## Regular Members

$$20 \times 2.25\% = 45\%$$

$$45\% \times \$3000 = \$1350.00 \text{ (Service Retirement Allowance)}$$

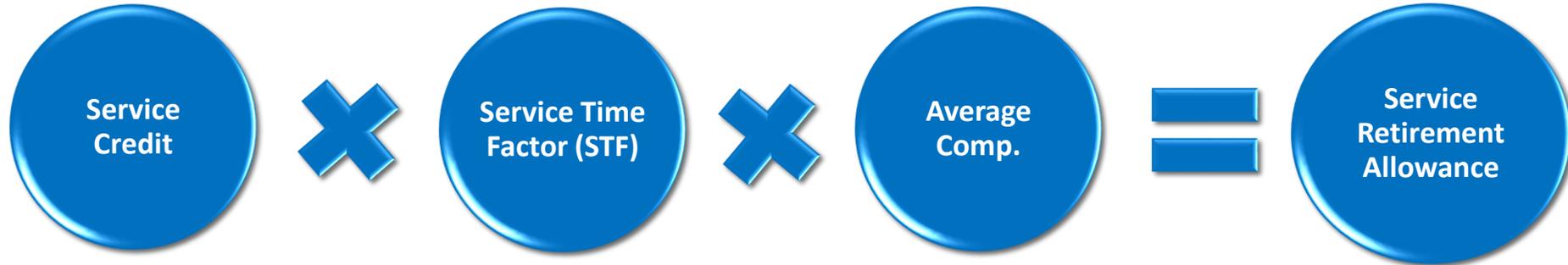
## Police/Fire Members

$$20 \times 2.5\% = 50\%$$

$$50\% \times \$3000 = \$1500.00 \text{ (Service Retirement Allowance)}$$



# Benefit Formula for Members Enrolled between 1/1/2010 and 6/30/2015



Sample Calculation:

20 years Service Credit & \$3000 Average Compensation

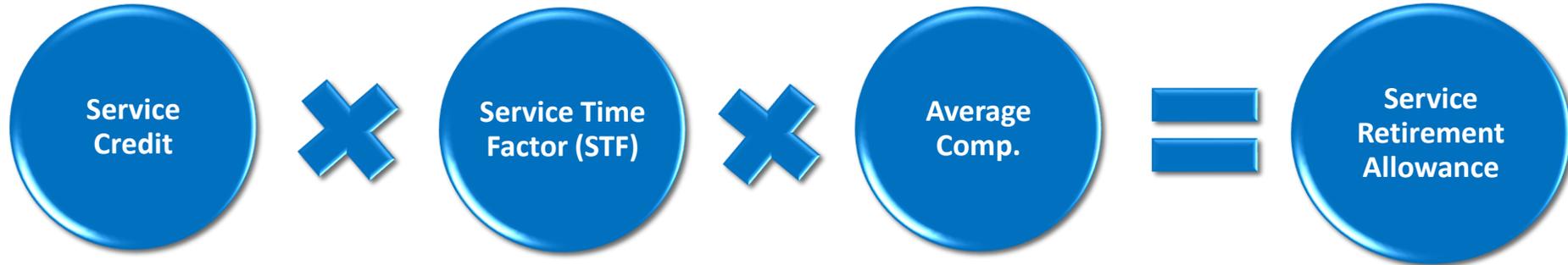
## Regular and Police/Fire Members

20 x **2.5%** = 50%

50% x \$3000 = \$ 1500.00 (Service Retirement Allowance)



# Benefit Formula for Members Enrolled prior to 12/31/2009



Sample Calculation:

20 years Service Credit & \$3000 Average Compensation

## Regular and Police/Fire Members

**10** x **2.5%** = 25% (service credit earned prior to July 1, 2001)

**10** x **2.67%** = 26.7% (service credit earned after July 1, 2001)

Total Percentage = 51.7% x \$3000 = \$ 1551.00 (Service Retirement Allowance)



# Early Retirement

---

- Benefit reduction - depends on enrollment date  
4% for each full year pre January 1, 2010  
6% for each full year post January 1, 2010
- Regular member – Age 58 (2 years early)  
2 years x 4% = 8% reduction

$$\$1551 \times 8\% = \$124$$

$$\$1551 - \$124 = \$1427 \text{ reduced Option 1 benefit}$$



# Retirement Options

$$20 \text{ years} \quad \times \quad \text{Total } 51.7\%* \quad \times \quad \$3,000.00 \quad = \quad \$1,551.00$$

\*STF 10 years at 2.50% (25%) and 10 years at 2.67% (26.7%)

<u>Option</u>	<u>Retiree</u>	<u>Beneficiary</u>
Option 1	\$1551	\$ -0-/\$775*
Option 2	\$1314	\$1314
Option 3	\$1422	\$ 711

Example is based on a 60-year old retiree & 52-year old beneficiary

\*For P/F Spouse or Registered Domestic Partner



# Purchase of Service

## Purchase of Service Program

- Eligible after 5 years of actual service credit
- Must be an active employee if hired on or after January 1, 2000
- May purchase up to an additional 3 years\* of service credit
- Full actuarial cost

## Purchases 2010 & 2015

- On or after January 1, 2010: Change in actuarial percentage tables for age
- On or after July 1, 2015: Purchase of service does not count toward eligibility unless family medical emergency

## Payment Methods

- Lump Sum: Check or Money Order
- Installments: Up to 10 years with 7.5% interest
- Rollovers: Qualified plans 457, 403(b), 401(k)

**Allow ample processing time if purchasing immediately before retirement**

\*Purchases permitted beyond the 5 year limit with eligible military service



# Purchase Calculations

## Purchase of Service Program

If you have five years of creditable service, you may purchase up to a maximum of five years of service credit. The cost to purchase service is based on your average compensation times the number of months purchased times the actuarial percentage based on your age. Purchases may be paid in a lump sum, through installments, or through direct rollover of deferred funds. If you decide to purchase, you must first contact PERS to request a purchase of service agreement.

**Special note for part-time employees:** Your average compensation is calculated on salary you would have received had you worked full-time. A part-time employee is a member who works less than full-time according to the employer's full-time work schedule.

1. **Your Average Monthly Compensation** = \$ \_\_\_\_\_  
(Average of your 36 highest consecutive months of salary)

2. **Multiplied by the # of months to be purchased** X \_\_\_\_\_  
= \$ \_\_\_\_\_

3. **Purchase Percentage Based on Age** = X \_\_\_\_\_ %  
(Find your age and corresponding % from table below)

4. **Estimated lump sum cost to purchase additional service** = \$ \_\_\_\_\_  
(Principal)

## Calculation Factors

- Average Compensation
- Purchase factor based on member's age
- Approximate cost 1/3 of annual salary for 1 year purchase



# Survivor Benefits

---

<u>Years of Service</u>	<u>Spouse*</u>	<u>Child</u>
2+	\$450.00	\$400
10+	Option 3 (50%)	\$400
15+	Option 2 (100%)	\$400

\* Payment may be made to either the spouse, registered domestic partner or survivor beneficiary

# Survivor Beneficiary Designation

**Public Employees' Retirement System of Nevada**  
693 W. Nye Lane, Carson City, NV 89703  
Toll Free: (866) 473-7768 • www.nvpers.org • Email: [nvpers@nvpers.org](mailto:nvpers@nvpers.org)

**Member's Social Security Number:** \_\_\_\_\_

**SURVIVOR BENEFICIARY DESIGNATION**

**\*\*THIS FORM SUPERSEDES ALL PRIOR BENEFICIARY DESIGNATIONS\*\***

**Member Information** Name Change Yes  No  If Yes, Former Name: \_\_\_\_\_  
Name: \_\_\_\_\_ Birth Date: \_\_\_\_\_ Email: \_\_\_\_\_

**Family Beneficiary Information.** A spouse or registered domestic partner is a member's primary beneficiary under NRS 286.674 and may be eligible to receive a lifetime benefit in the event of the member's death prior to retirement. If a monthly benefit is not available, the spouse or registered domestic partner may be eligible to receive a one-time lump-sum payment of any existing member contributions in the System. Children under age 18 may be eligible to receive a limited benefit.  
Name of Spouse or Registered Domestic Partner: \_\_\_\_\_ Birth Date: \_\_\_\_\_  
List all unmarried children (biological or legally adopted) under age 18. (Attach separate sheet if necessary.)  
Name: \_\_\_\_\_ Birth Date: \_\_\_\_\_ M F  
Name: \_\_\_\_\_ Birth Date: \_\_\_\_\_ M F  
Name: \_\_\_\_\_ Birth Date: \_\_\_\_\_ M F

**Survivor Beneficiary Designation.** This designation is valid only upon the member establishing eligibility for survivor benefits pursuant to NRS 286.672 and 286.6767. All members of the System should list one person as the Survivor Beneficiary (not a spouse or registered domestic partner, trust or charitable organization) to receive a lifetime benefit in the event of the member's death or member and spouse's or registered domestic partner's simultaneous death prior to retirement. Additional Payees may be designated to split the payment with the Survivor Beneficiary by percentage. Monthly payments to Additional Payees cease upon the death of the designated Survivor Beneficiary. If a monthly payment is not available and no spouse or registered domestic partner exists, then the Survivor Beneficiary and Additional Payees may be eligible to split, by percentage designated, a one-time, lump-sum payment of any existing member contributions in the System.

**Survivor Beneficiary:** (If you do not wish to provide a lifetime benefit for Survivor Beneficiary/Additional Payees, indicate NONE.)  
Name: \_\_\_\_\_ Birth Date: \_\_\_\_\_ M F  
Address: \_\_\_\_\_ City, State, Zip: \_\_\_\_\_ Percent\* \_\_\_\_\_

**Additional Payees:** (Attach separate sheet, if necessary)

Name: _____	Birth Date: _____	M F	Percent* _____
Address: _____	City, State, Zip: _____		
Name: _____	Birth Date: _____	M F	Percent* _____
Address: _____	City, State, Zip: _____		
Name: _____	Birth Date: _____	M F	Percent* _____
Address: _____	City, State, Zip: _____		

\*Survivor Beneficiary & Additional Payee Percentages must be whole numbers and total 100% when added together

TOTAL PERCENTAGES FOR SURVIVOR BENEFICIARY + ALL ADDITIONAL PAYEES = \_\_\_\_\_ Total %

**Tertiary Beneficiary Designation.** The tertiary beneficiary may be eligible to receive a one-time lump-sum payment of any existing member contributions in the System when there is no spouse or registered domestic partner and no Survivor Beneficiary/Additional Payee designated or living and no minor children/student payments are being made by the System. If more than one person is listed, the payment will be split equally unless otherwise stated by the member. Attach a separate sheet if necessary.  
Name: \_\_\_\_\_ Birth Date: \_\_\_\_\_ M F  
Address: \_\_\_\_\_ City, State, Zip: \_\_\_\_\_  
Name: \_\_\_\_\_ Birth Date: \_\_\_\_\_ M F  
Address: \_\_\_\_\_ City, State, Zip: \_\_\_\_\_

I understand that the information designated on this form supercedes all prior Beneficiary Designations that I have submitted on other forms, and that this information only affects records with the Public Employees' Retirement System.

Member Signature: \_\_\_\_\_ Date: \_\_\_\_\_

For PERS Use - Date Received \_\_\_\_\_

Form 06/20

Not retired



Work related death



Two years of PERS service



Ten years of PERS service

✓ Form must be properly completed, signed, dated, and filed with the System



# Disability Retirement

---

- Minimum of 5 years of service
- Totally unable to perform current job or a comparable job due to a permanent mental or physical condition
- **Application must be submitted before termination of employment**
- Benefit is calculated the same as service retirement but without the reduction for age
- Board approval required before any reemployment



# Service Retirement Application Process

---

- Request a benefit estimate and application packet 1 year prior to retirement
- Application may be submitted up to six months before retirement date but no later than the effective date of retirement
- You **MUST** apply for retirement
- Retirement option selection and beneficiary designation
- Requires notarized signature of Member and Spouse/Registered Domestic Partner
- Proof of birth date and name change documentation

# New Website!

## [www.nvpers.org](http://www.nvpers.org)

Create and view your Personal account on-line

### Website features

- Purchase estimator
- List of upcoming Programs
- Frequently Asked Questions

### Technical Support

- Call the PERS Help Desk  
1-866-473-7768

Members Benefit Recipients Employers NVPERS

Q Login

PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA

DEDICATED TO THOSE WHO SERVE NEVADA

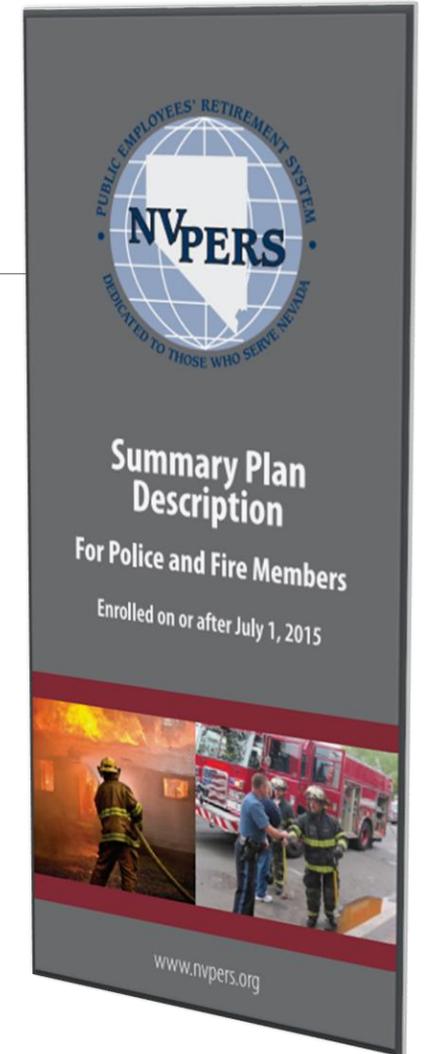
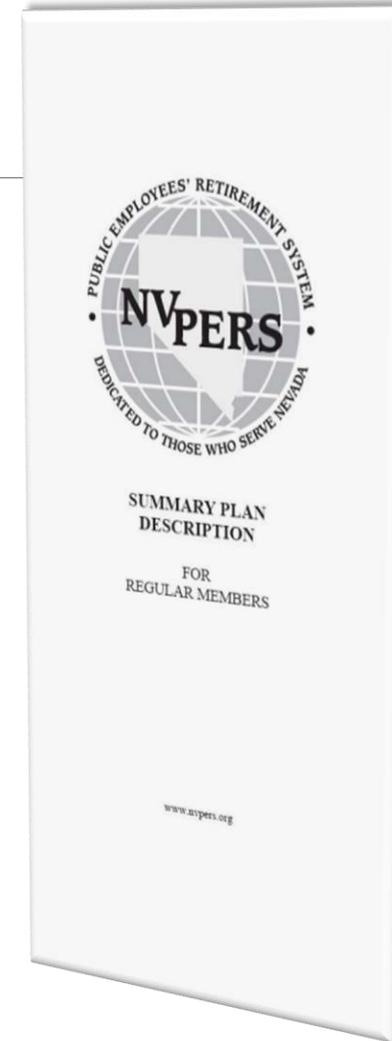
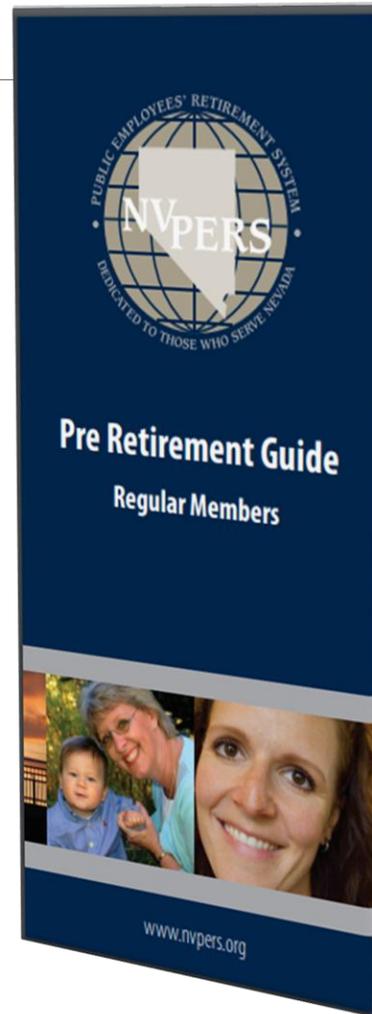
ACTIVE MEMBERS BENEFIT RECIPIENTS EMPLOYERS & VENDORS

Important Updates

Images: Mailbox, Hands at desk with laptop, Calendar

# Publications

- ❖ 14 Different publications for various effective enrollment dates, funds, live and career events





---

## THANK YOU FOR COMING.

If you had questions that were not answered today, please call PERS and ask to speak with a Counseling Services Representative.

**T: (775) 687-4200 | Toll Free: (866)473-7768**