



UNDERSTANDING YOUR PLAN

PUBLIC EMPLOYEES RETIREMENT FUND

History

- The Indiana Public Retirement System (INPRS) manages approximately \$36.9 billion in assets, as of June 30, 2020
- INPRS is among the largest 100 pension funds in the United States
- INPRS issues payments to approximately 160,000 individuals each month
- The Public Employees Retirement Fund (PERF) was founded in 1945

Who participates in INPRS?

**473,000 Members from over
1,200 Public Employers**

Employers include...

- State of Indiana
- Cities
- Towns
- Counties
- School Corporations
- Universities

Funds covered under INPRS:

- Public Employees
- Teachers Retirement
- 1977 Police Officers' and Firefighters'
- Judges' Retirement System
- State Excise Police, Gaming Agent, Gaming Control Officer, and Conservation Enforcement Officers'
- Prosecuting Attorneys' Retirement
- Legislators' Retirement

PERF Hybrid Plan Retirement Structure – 2 Parts

- **Defined Benefit (Pension)**
- **Defined Contribution (DC)**

PERF Hybrid Pension Component

Defined Benefit (Pension)

- Lifetime benefit – must meet eligibility
- Funded by employers
- Formula calculation used to determine benefit
- Benefit determined by age, salary, service, and retirement option chosen

Full vesting occurs at 10 years of service.



PERF Pre-Retirement Benefits

Disability Benefits

- Member who has 5 or more years of creditable service under PERF
- Deemed disabled by the Social Security Administration while on payroll

Survivor Benefits before Retirement

- Surviving spouse or dependent children may be entitled to this benefit if a member dies with at least 10 years of creditable service.

Normal (unreduced) Retirement Eligibility

1. Age **65** with **10** or more years of creditable service;
2. Age **60** with **15** or more years of creditable service;
3. **Rule of 85:** Minimum age 55, age plus years of service must equal 85 or more.
For example: age 55+30 yrs= 85; or age 58+29 yrs= 87.

Early Retirement with a Reduced Pension

1. A member who has **15** or more years of creditable service, **and**,
2. is between the ages of **50** and **59** can retire with a reduced pension...

<i>Retirement Age</i>	<i>Percentage of Pension</i>
50	44%
59	89%

(Percentage increases 5% per year between ages 50-59)

Please note that if you choose to take early retirement, your pension benefits will remain at a reduced level even after you reach 60 years of age

The monthly Pension formula is defined by state law...

- **Final Average Salary x creditable service x 1.1%**
- **Final Average Salary is the average of your 20 highest quarters in groups of 4 consecutive quarters**

Note: Phasing into retirement by working at a lower paying job will not negatively impact your pension benefit

So what will my benefit be?

(Final Average Salary x Creditable Service x 1.1%) divided by 12

Examples

$(\$30,000 \times 20 \text{ yrs} \times .011) / 12 = 550 / \text{month}$ (before taxes)

$(\$40,000 \times 25 \text{ yrs} \times .011) / 12 = 915 / \text{Month}$ (before taxes)

$(\$45,000 \times 30 \text{ yrs} \times .011) / 12 = \$1235 / \text{Month}$ (before taxes)

You can run an estimate for yourself at www.myinprsretirement.org

How is service earned?

- PERF service is earned month by month
- **10 years of qualifying Indiana service = fully vested to receive pension when age/service eligible**

Does anything else count as service?

- Regular Indiana teaching service
- Approved leaves of absence may count
- Military service credit
- Private school service in Indiana (purchased)
- Out-of-state service (sometimes purchased)
- Additional years purchased

PERF Hybrid DC Component

Defined Contribution (DC)



- Mandatory 3% contribution
- Always belongs to you/fully vested
- No loan or hardship withdrawals available
- Post-tax voluntary contributions up to 10% of your gross wages if allowed by your employer

Defined Contribution In-Service Withdrawals

SEA 10 – effective 1/1/2021



- Are you 59 ½ and currently eligible for a regular retirement benefit?
- You can elect to take in-service distributions from your DC account without having to leave your position

** Please consider the tax and retirement consequences when deciding to take distributions prior to retirement

You are responsible for investing the money in your DC Account

Do It For Me

- Target Date Funds. Default fund for new members based on the year in which the member would turn 65.

Do It Myself

- Money Market Fund
- Stable Value Fund
- Fixed Income Fund
- Inflation-Linked Fixed Income Fund
- Large Cap Equity Fund
- Small/Mid Cap Equity Fund
- International Equity Fund

NOTE: Allocations must be made in whole increments of 1% or more among the investment options. Your total for all fund investments must equal 100%.

Allocations can be changed daily online by using www.myinprsretirement.org or by calling toll-free (844) GO-INPRS.

Investment Details

- Investment Details

My Investments

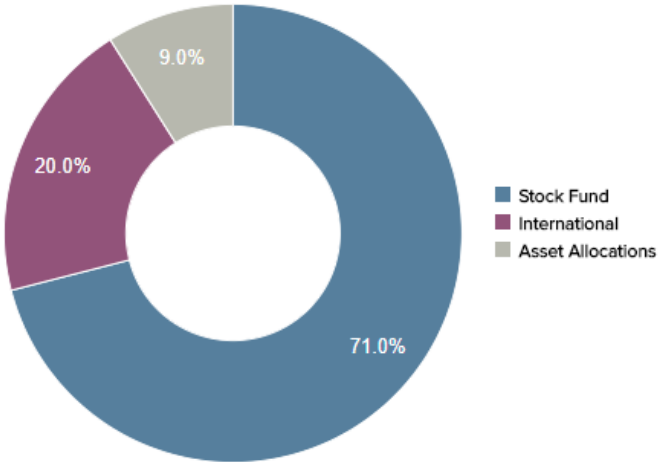
Fund and % of My Balance	Unit/Share Price	# of Units/Shares	Fund Balances
Large Cap Equity Index Fund - 35.91%	\$ 28.742181	288.2504	\$ 8,284.95
Small/Mid Cap Equity Fund - 35.14%	\$ 28.148972	288.0166	\$ 8,107.37
International Equity Fund - 19.89%	\$ 17.025429	269.5177	\$ 4,588.65
INPRS 2030 Fund - 9.06%	\$ 16.885594	123.8954	\$ 2,092.05
100%			\$ 23,073.02

[VIEW HISTORICAL FUND GRAPH](#)

[VIEW MORE DETAILS](#)

Allocations

Roll over pie chart to view each asset class and % of balance. Use the buttons to change the view.



[MANAGE MY INVESTMENTS](#)

Manage your investments

Manage Investments

View/Execute certain changes to your account

Select one of the options below to begin managing your investments.

Investment Elections



Details how your future contributions will be invested.

Start >

Change Elections



Change how your future contributions are invested.

Start >

Fund Transfer



Move a specific amount or percentage of your account from one fund to another.

Start >

Reallocate Balances



Rebalance your current account across all eligible investment funds.

Start >

Rebalance Account



Automatically rebalance your account according to your investment elections.

Start >

PERF Hybrid Plan Retirement Options

Defined Benefit: Pension

- **Lifetime Monthly Benefit**
- **Beneficiary and Survivorship Options**

Defined Contribution Options

- Defer Payment
- Annuitization with/without Cash Refund
- Lump Sum Distribution
- Systematic Withdrawal Plan (SWP)
- Rollover
- Split the DC balance

Collect Retirement Benefits While Continuing to Work

1. **Millie Morgan:** Minimum age 70 with 20 or more years of creditable service (while working in a PERF-covered position)
2. **Elected officials:** Minimum age 55 with 20 or more years of creditable service (while serving in their elected position). If the member is younger than age 60, a reduced benefit would apply

*Benefits will be effective the first of the month following your submitted application.

Working After Retirement

***Effective July 1, 2013**

- **Members can no longer start a second retirement.**

***To reemploy with a PERF or TRF covered employer:**

- 30 day mandatory separation from retirement date is required to continue receiving PERF or TRF retirement benefits
- No additional service credit is earned
- No contributions made to DC
- No earnings limitation

***Member's application for retirement benefits is void if the member has an agreement, prior to their retirement, with a covered employer to become re-employed.**

***To reemploy in the private sector:**

- Employable immediately
- No earnings limitation

INPRS WEBSITE

INPRS Home

Where to find your 1099-R

All 1099-Rs should be postmarked by Jan. 31. For more information, read the Winter 2020 edition of Retiree News.

[Click here for the Winter 2020 Retiree News](#)



Additional resources are located on the INPRS website
Please visit us at www.inprs.in.gov

Log into your account at www.myinprsretirement.org

A little planning today can make a big impact...

- myOrangeMoney® Hide this section

Let's talk about your retirement savings ▼

\$1,876
Estimated Monthly Income

\$4,667
Estimated Monthly Goal

\$2,790
A Difference Of



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The amount of my pay I can save now ?

Before-tax Contributions **0%** (\$0 per pay period)



[View Other Contributions](#)

I want to retire at age **65** ?



My investments might return **6%** each year ?

Moderate



[RESET](#)

[MAKE CHANGE NOW](#)

INPRS Contact Information



Web site:

www.INPRS.in.gov

e-mail:

questions@INPRS.in.gov

Phone:

(844) 464-6777 (toll-free)

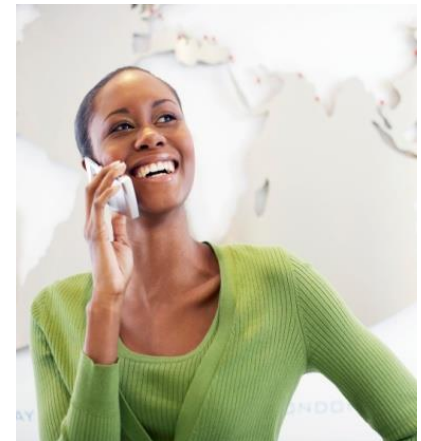
Mailing Address:

INPRS

One North Capitol, Suite 001

Indianapolis, IN 46204

Follow us on social media:



Questions?