

What is a Member Contribution?

As a PERA member, you contribute 8 percent of your monthly salary to your PERA member contribution account. The member contribution rate statutorily remains unchanged at 8 percent. (State Troopers and CBI Agents contribute 10 percent.)

Your PERA contributions are tax-deferred, which means they are not considered taxable income for federal and state income tax purposes until they are withdrawn through a refund or monthly benefit. (Federal taxes have been deferred since 1984 and state taxes have been deferred since 1987.)

Also, you earn tax-deferred interest on your member contributions and your completed service credit purchases. The interest rate is set by the PERA Board and is subject to change annually. The current interest rate is 3 percent compounded annually.

What is an Employer Contribution?

Your employer contributes a percentage of its total payroll to PERA according to state law (see the charts on the reverse side). A portion of the employer contribution also goes to the Health Care Trust Fund to pay health care premium subsidies to benefit recipients who participate in the PERACare Health Benefits Program. The remaining amount is deposited in a pension trust fund established for each division to pay benefits.

What are the AED and SAED?

In 2004 and 2006, legislation was approved that requires additional employer contributions. These additional contributions are identified in the statute as the Amortization Equalization Disbursement (AED) and Supplemental AED (SAED). The AED is an additional amount contributed by PERA employers that increases gradually between 2006 and 2013. The SAED is also an amount contributed by employers and is, to the extent permitted by law, to be funded by monies otherwise available for employee wage increases. The SAED increases gradually between 2008 and 2013. These additional employer contributions, based on the total payroll of PERA members and employees who can elect either PERA or another plan (regardless of the plan elected), are designed to reduce PERA's unfunded liability and amortization period. When each division's trust fund becomes 100 percent funded, an actuarial study will be conducted to determine if the AED and SAED are still required to be collected for that division.

The AED and SAED are slated to be gradually reduced as each division's trust fund reaches a minimum of 100 percent funded status within the statutorily required 30-year amortization period.

Employer Contribution, AED, and SAED Rates are on the Reverse

This fact sheet provides general information about member and employer contributions. Your rights, benefits, and obligations as a PERA member are governed by Title 24, Article 51 of the Colorado Revised Statutes, and the Rules of the Colorado Public Employees' Retirement Association, which take precedence over any interpretations in this fact sheet.

Employer Contribution, AED, and SAED Rates

State Division

Start Date	Statutory Employer Contribution	AED	SAED	Total Contribution % for Year
Jan 2006	10.15%	.50%	N/A	10.65%
Jan 2007	10.15%	1.00%	N/A	11.15%
Jan 2008	10.15%	1.40%	.50%	12.05%
Jan 2009	10.15%	1.80%	1.00%	12.95%
Jan 2010	10.15%	2.20%	1.50%	13.85%
Jan 2011	10.15%	2.60%	2.00%	14.75%
Jan 2012	10.15%	3.00%	2.50%	15.65%
Jan 2013	10.15%	3.00%	3.00%	16.15%

School Division

Start Date	Statutory Employer Contribution	AED	SAED	Total Contribution % for Year
Jan 2006	10.15%	.50%	N/A	10.65%
Jan 2007	10.15%	1.00%	N/A	11.15%
Jan 2008	10.15%	1.40%	.50%	12.05%
Jan 2009	10.15%	1.80%	1.00%	12.95%
Jan 2010	10.15%	2.20%	1.50%	13.85%
Jan 2011	10.15%	2.60%	2.00%	14.75%
Jan 2012	10.15%	3.00%	2.50%	15.65%
Jan 2013	10.55%*	3.00%	3.00%	16.55%

*2004 legislation provided for an additional 0.40 percent employer contribution in 2013

Local Government Division

Start Date	Statutory Employer Contribution	AED	SAED	Total Contribution % for Year
Jan 2006	10.00%	.50%	N/A	10.50%
Jan 2007	10.00%	1.00%	N/A	11.00%
Jan 2008	10.00%	1.40%	.50%	11.90%
Jan 2009	10.00%	1.80%	1.00%	12.80%
Jan 2010	10.00%	2.20%	1.50%	13.70%
Jan 2011	10.00%	2.60%	2.00%	14.60%
Jan 2012	10.00%	3.00%	2.50%	15.50%
Jan 2013	10.00%	3.00%	3.00%	16.00%

State Troopers

Start Date	Statutory Employer Contribution	AED	SAED	Total Contribution % for Year
Jan 2006	12.85%	.50%	N/A	13.35%
Jan 2007	12.85%	1.00%	N/A	13.85%
Jan 2008	12.85%	1.40%	.50%	14.75%
Jan 2009	12.85%	1.80%	1.00%	15.65%
Jan 2010	12.85%	2.20%	1.50%	16.55%
Jan 2011	12.85%	2.60%	2.00%	17.45%
Jan 2012	12.85%	3.00%	2.50%	18.35%
Jan 2013	12.85%	3.00%	3.00%	18.85%

Judicial Division

Start Date	Statutory Employer Contribution	AED	SAED	Total Contribution % for Year
Jan 2006	13.66%	.50%	N/A	14.16%
Jan 2007	13.66%	1.00%	N/A	14.66%
Jan 2008	13.66%	1.40%	.50%	15.56%
Jan 2009	13.66%	1.80%	1.00%	16.46%
Jan 2010	13.66%	2.20%	1.50%	17.36%
Jan 2011	13.66%	2.60%	2.00%	18.26%
Jan 2012	13.66%	3.00%	2.50%	19.16%
Jan 2013	13.66%	3.00%	3.00%	19.66%