

Five Fast Facts about PERS



Employers: 887
Members: 157,918
Retirees: 99,096

Fact 1. PERS Was Founded on Promises

- Established by the Mississippi Legislature in 1952 to provide state's public workforce with basic retirement coverage for life
- A form of deferred compensation and part of overall compensation package that helps recruit and retain a quality public workforce
- Members pay mandatory contributions to help fund their retirement



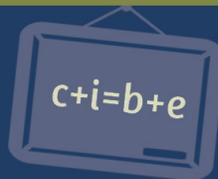
Membership Built of all Public Service Areas

- 39% Public Schools
- 20% State Agencies
- 11% Municipalities
- 11% State Universities
- 9% Counties
- 6% Other Political Subdivisions
- 4% Jr./Comm. Colleges

Fact 2. PERS Is Funded Primarily by Investment Income

Funding a Pension System Is a Simple Equation

Contributions + Investments = Benefits + Expenses



Every Pension Dollar Is:

- 54% Investment Income
- 27% Employer Contributions
- 19% Member Contributions

Contribution Rates

Employers	Members
15 ⁷⁵ % of covered payroll	9 ⁰⁰ % of salary

State Employer Contributions Are less than 5% of State Expenses



Fact 3. PERS Is a Defined Benefit Plan

A Three-Legged Retirement Is Best

Retirement security is strongest with a defined benefit (DB), personal savings, and Social Security.



What's the Difference?

Benefits of a DB Plan:



DB plans, like PERS, provide survivor and disability benefits, which are vital to families, particularly public safety

DB plans, like PERS, provide guaranteed pensions, which help reduce the risk of poverty for the elderly and help reduce the need for public assistance **



Typical DB Plan

- Pooled risk
- Lifetime benefit
- Survivor and disability benefits

Typical DC Plan

- Individual risk
- No guaranteed benefit
- No survivor and disability benefits



Fact 4. PERS Benefits Entire State of Mississippi

93% of PERS Benefits Stay in State

PERS pays more than \$2 billion annually in benefits, which are spent in every Mississippi county and help support thousands of jobs and billions in economic output.**

Every \$1 Invested in PERS by Tax Payers Supports \$4.56 in Output**



80⁶⁰%
2042 Projected
Funded Status

Fact 5. PERS' Funded Status Is Trending Upward

The Future of PERS Is Looking Up

PERS' fiscal year 2015 rate of return was 3.4% and net assets were more than \$25 billion. PERS' funded status is anticipated to meet the goal set by the Board of Trustees of 80% funded by 2042.

60⁴⁰%
2015 Funded Status



* Based on 2015 average annual salary of \$37,559 for active PERS members. Members contribute 9 percent of salary.

Stopwatch designed by Scott Lewis; Piggy Bank designed by Derek Ramsey; Community designed by Dmitry Baranovsky; Chalkboard designed by Jon Testa; Dollar designed by Simple Icons; Money Bag designed by Chris Kerr; all from the thenounproject.com

** Sources: The National Institute on Retirement Security (NIRS), who also reports that poverty rates among older households lacking pension income are about six times greater than those with such income.

Family designed by Wilson Joseph; Senior Citizen designed by Lemon Liu; Thought Bubble designed by Norbert de Graaff; Shrug designed by Diana Chaylor; Mississippi designed by Ted Grajeda; all from the thenounproject.com