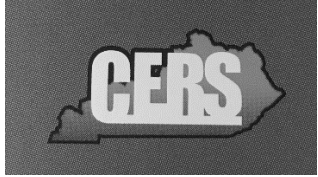


KEA grid of “Keeping the Promise” pension framework\* for current CERS participants

\*All information on this grid is based on information available on [pensions.ky.gov](http://pensions.ky.gov) as of October 20, 2017

***Provided as information only, not to be interpreted as an endorsement of this plan by KEA***

<p><b>MY SITUATION AS A CERS PARTICIPANT:</b></p> 	<p><b>Tier 1 (hired prior to September 1, 2008)</b></p>	<p><b>Tier 2 (hired on or after September 1, 2008 through December 31, 2013)</b></p>	<p><b>Tier 3 (hired after January 1, 2014) and all new hires</b></p>
<p><b>Can I continue to work after July 1, 2018?</b></p>	<p>Yes</p>	<p>Yes</p>	<p>Yes</p>
<p><b>Can I continue to participate in CERS after July 1, 2018?</b></p>	<ul style="list-style-type: none"> <li>• If you are eligible to retire on July 1, 2018, NO, you will move to the 401(a) plan if you continue to work after that date</li> <li>• If you are <u>not</u> eligible to retire on July 1, 2018, you can continue to participate in CERS until you reach 27 years of service or age 65</li> <li>• All Tier 1 CERS participants who continue to work after eligibility for an unreduced retirement will move to the 401(a) plan for all subsequent years of employment</li> </ul>	<ul style="list-style-type: none"> <li>• If you are eligible to retire on July 1, 2018, NO, you will move to the 401(a) plan if you continue to work after that date</li> <li>• If you are <u>not</u> eligible to retire on July 1, 2018, you can continue to participate in CERS until you reach the Rule of 87 (age + years of service = 87)</li> <li>• All Tier 2 CERS participants who continue to work after eligibility for an unreduced retirement will move to the 401(a) plan for all subsequent years of employment</li> </ul>	<p>No, will move immediately to the new 401(a) plan</p>
<p><b>Will I receive a defined benefit pension for life from CERS upon</b></p>	<p>Yes, based on your accumulated years of service in CERS on the</p>	<p>Yes, based on your accumulated years of service in CERS on the</p>	<p>No</p>

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retirement?	date you retire (See Note 1, below)	date you retire (See Note 1, below)	
<b>Can I return to work in a public sector job after retirement?</b>	Yes, but only up to 100 hours per month; if you work more hours than that, you must suspend receipt of your retirement benefit payments while you are employed in the second public sector position	Yes, but only up to 100 hours per month; if you work more hours than that, you must suspend receipt of your retirement benefit payments while you are employed in the second public sector position	Yes, but only up to 100 hours per month; if you work more hours than that, you must suspend receipt of your retirement benefit payments while you are employed in the second public sector position
<b>Will my accumulated sick leave be used for service credit?</b>	Only if you retire by July 1, 2018; for retirement purposes only, your sick leave will be capped to the balance accrued on June 30, 2018 (See Note 2, below)	Only if you retire by July 1, 2018; for retirement purposes only, your sick leave will be capped to the balance accrued on June 30, 2018 (See Note 2, below)	n/a
<b>Will I have to pay an additional 3% for retiree medical insurance?</b>	Yes, as long as you contribute to CERS; unknown for participation in the 401(a)	Yes, as long as you contribute to CERS; unknown for participation in the 401(a)	Unknown
<b>Will my comp time payments be included in the calculation of my retirement benefit?</b>	Yes, if you retire on or before July 1, 2023	Yes, if you retire on or before July 1, 2023	n/a

**NOTE 1: Upon retirement, current Tier 1 and Tier 2 participants will receive a defined benefit payment for life from CERS based on their age and years of service on the date that they stopped contributing to that system.** If the current Tier 1 and Tier 2 participants continue to work after they become eligible for an unreduced benefit from CERS, they will participate in the 401(a) plan for all additional years of employment. Upon retirement, they will receive a pension payment from CERS and will also receive the financial benefit available from the 401(a). **Current Tier 1 and Tier 2 participants will not have their accumulated years of service rolled into the 401(a) plan.**

**NOTE 2: CERS participants can and should continue to accrue sick leave granted by their employers after July 1, 2018;** however, any additional sick leave accrued after that date will not be counted toward service credit in CERS.