

Retirement savings basics for PERA participants ^[1]

Determining the best way to save for retirement can be confusing. CU offers a variety of options to help you develop your personal plan.

Mandatory Plan: PERA

Public Employees' Retirement Association (PERA), a public pension system, delivers retirement and other benefits to the employees of government agencies and public entities.

PERA plan highlights

In this defined benefit plan, distributions are based on years of service and your highest average salary.

Contribute 8 percent of your gross annual income, and CU will contribute an amount equal to 10.15 percent of your gross pay.

Set aside money on a pre-tax basis.

You are vested with five years of service.

Distribution is based on your contributions (plus or minus investment gains or losses).

Need assistance?

Visit PERA on their [website](#) ^[2] or call 1-800-759-7372.

Voluntary Savings Plans

Save more with voluntary plans

Want to contribute more to your retirement? Grow your savings faster with three different voluntary plans offered through CU and PERA.

403(b), 401(k) and 457 plans

The 403(b) plan is sponsored by CU, while the 401(k) and 457 plans are offered by PERA. Your mandatory plan doesn't affect your ability to select your preferred voluntary plan. PERA and 401(a) participants can enroll in the 403(b), 401(k) or 457, as can CU employees who are not enrolled in a mandatory retirement plan.

403(b) plan highlights	401(k) plan highlights	457 plan highlights
There is no minimum contribution. You can decide how much of your pay to contribute.	There is no minimum contribution. You can decide how much of your pay to contribute.	There is no minimum contribution. You can decide how much of your pay to contribute.
If you're age 50 or younger, the yearly contribution limit for 2018 is \$18,500. If you're age 50 or older, the contribution limit for 2018 is \$24,500 a year. Note: Contribution limits are determined by the IRS.	If you're age 50 or younger, the yearly contribution limit for 2018 is \$18,500. If you're age 50 or older, the contribution limit for 2018 is \$24,500 a year. Note: Contribution limits are determined by the IRS.	If you're age 50 or younger, the yearly contribution limit for 2018 is \$18,500. If you're age 50 or older, the contribution limit for 2018 is \$24,500 a year. Note: Contribution limits are determined by the IRS.
If you are enrolled in the 403(b) and 401(k), your combined maximum contribution is \$18,500 (50 and under) or \$24,500 (50 and older) between both accounts.	If you are enrolled in the 403(b) and 401(k), your combined maximum contribution is \$18,500 (50 and under) or \$24,500 (50 and older) between both accounts.	If you are enrolled in the 403(b) and/or 401(k), you may contribute up to an additional \$18,500 (50 and under) or \$24,500 (50 and older) into the 457 plan.

There are no additional catch up provisions.	There are no additional catch up provisions.	In the three consecutive years prior to normal retirement age, you may be eligible to contribute up to twice the available limit, if you under contributed in previous years.
Loan provisions may be available. Contact TIAA to determine your eligibility.	Loan provisions are available. Contact PERA to learn more.	Loan provisions are available. Contact PERA to learn more.
Early withdrawal penalties apply to participants under the age of 59 ½.	Early withdrawal penalties apply to participants under the age of 59 ½.	Early withdrawal penalties do not apply to participants under the age of 59 ½.
Qualifying distribution events: <ul style="list-style-type: none"> • Retirement • Severance of employment • Disability • Attainment of age 59 ½ • Financial hardship 	Qualifying distribution events: <ul style="list-style-type: none"> • Retirement • Severance of employment • Disability • Attainment of age 59 ½ • Financial hardship 	Qualifying distribution events: <ul style="list-style-type: none"> • Retirement • Severance of employment • Disability • Attainment of age 70 ½ • Unforeseeable emergency

Learn more

Visit the [Voluntary Retirement Savings Plans page](#) [3].

Health Savings Account

Prepare for future medical expenses with a Health Savings Account (HSA)

Healthcare during retirement can be expensive. In fact, it's been estimated that retirees will need \$250,000 or more to cover their health expenses after they retire.

Whether you're retiring in one year or in 20, starting an HSA today can help to ensure you are prepared for future health care expenses.

What is an HSA?

CU's Health Savings Accounts are administered by OPTUM ^[4] and help you prepare for, and manage, your future health care costs. They can supplement your retirement plan and offer three tax benefits: tax-free saving, growth and spending on qualified medical expenses anytime, from today throughout your retirement.

Eligible employees include those who are enrolled in the CU Health Plan – High Deductible as the primary member, have no other active medical plan coverage (including Medicare), and cannot be claimed as a dependent on someone else's previous year tax return.

HSA plan highlights

HSAs are funded with your pre-tax dollars and account contributions accrue interest.

Unused contributions rollover from year to year and unneeded balances can be invested similar to a 401(k).

They are available to all eligible CU employees and can be opened at any time of the year.

The funds are yours to keep even if you don't use them, and they carry forward year after year.

Make yearly contributions up to the annual IRS contribution limits on an after-tax basis and deduct them from your return:

- The current maximum contribution is \$3,450 for those with individual coverage
 - The current maximum contribution is \$6,900 for those with family coverage
 - If you're age 55 or older, make additional catch-up contributions of \$1,000
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Learn more

Want more information about the HSA and other pre-tax savings plans? Visit the Employee Services website [5].

Groups audience:
Employee Services

Source URL:<https://www.cu.edu/retirement-plan-basics/pera>

Links

[1] <https://www.cu.edu/retirement-plan-basics/pera> [2] <https://www.copera.org/>

[3] <https://www.cu.edu/employee-services/voluntary-retirement-savings-plans-0>

[4] <http://https://www.optum.com/> [5] <https://www.cu.edu/employee-services/benefits-wellness/current-employee/hsa-and-fsa>