

Annual increases for monthly benefits are determined by Minnesota Statutes. If you qualify for an annual increase, the increase will be effective Jan. 1 of each year.

You are eligible for an increase after meeting the waiting period schedule below. The increase percentage for Coordinated members is tied to the same Consumer Price Index (CPI) used by the Social Security Administration. Coordinated benefit recipients receive 50 percent of the Social Security increase, but not less than 1.0 percent or greater than 1.5 percent.

| If the increase is... | Lower than 2.0% | 2.0% – 3.0% | Higher than 3.0% |
|------------------------------|-----------------|---------------------|------------------|
| The PERA increase will be... | 1.0% | 50% of the increase | 1.5% |

New benefit recipients

We base your first increase on the number of months you received benefits in the prior fiscal year ending June 30. For example, if your benefit was effective March 1, you would receive benefits for four months that fiscal year and qualify for 4/12, or 33.3 percent of the full increase the following Jan. 1. After your first adjustment, all future increases will be the full amount.

| Benefit Effective Date | Schedule | Fraction of Increase | Percentage of Increase |
|------------------------|-----------|----------------------|------------------------|
| Jul. 1 | 18 months | 12/12 | 100.0% |
| Aug. 1 | 17 months | 11/12 | 91.7% |
| Sept. 1 | 16 months | 10/12 | 83.3% |
| Oct. 1 | 15 months | 9/12 | 75.0% |
| Nov. 1 | 14 months | 8/12 | 66.7% |
| Dec. 1 | 13 months | 7/12 | 58.3% |
| Jan. 1 | 12 months | 6/12 | 50.0% |
| Feb. 1 | 11 months | 5/12 | 41.7% |
| Mar. 1 | 10 months | 4/12 | 33.3% |
| Apr. 1 | 9 months | 3/12 | 25.0% |
| May 1 | 8 months | 2/12 | 16.7% |
| Jun. 1 | 7 months | 1/12 | 8.3% |

Annual Increase Example

Let's assume you are 66 and begin drawing your \$1,000 monthly benefit effective March 1, 2025. You are eligible for your first increase in January 2026 (10 months later), and you will qualify for 33.3 percent of the full increase. If both the 2026 and 2027 Coordinated increases are 1 percent, your benefit will increase as follows:

| Period | Increase | Monthly Benefit |
|------------------------------|----------|-----------------|
| March 2025 - December 2025 | N/A | \$1,000.00 |
| January 2026 - December 2026 | 0.3% | \$1,003.33 |
| January 2027 - December 2027 | 1.0% | \$1,013.36 |



Public Employees Retirement Association
 60 Empire Drive, Suite 200, St. Paul, MN 55103-2088
 1-800-652-9026 | 651-296-7460 | mnpera.org