Example of Impact of City of Eugene vs. PERS Settlement
(for variable participation beginning in 1982)

In calculating the account balances shown below, the following assumptions have been made:

- Variable contributions began in 1982
- Annual salary of $35,000
- Annual contributions of $2100 (6 percent of assumed salary)
- Member elected a 50 percent variable participation rate
- Member's salary, contribution rate, and variable participation rates remained constant
- Member chooses retirement date of July 1, 2004
- Member is Tier 1, retirement benefit is calculated under Money Match, and member elects benefit payment Option 1
- Sick leave, vacation hours, and member purchases are **not** used
- Balances shown are for variable portion of account balance **only**
- 2004 annual variable rate projected at 10 percent

Member variable account balance at retirement: $122,548.30

Employer variable match (pre-settlement)	*Employer variable match (post-settlement)*
$122,548.30	**$103,498.68**

Because the annual variable contributions invested in the regular account would have earned **less** than contributions invested in the variable account, the employer portion of the variable account balance upon retirement would be **$19,049.62 lower** than it would have been before the implementation of the City of Eugene vs. PERS settlement.

Based on age at retirement and current life expectancy, we estimate this **$19,049.62** difference would **decrease** the monthly retirement benefit as follows:

AGE @ RETIREMENT	PROJECTED DECREASE IN MONTHLY BENEFIT
55	($144.02)
58	($149.35)
60	($153.54)
62	($158.49)
65	($167.45)