## Example of Impact of City of Eugene vs. PERS Settlement
## (for variable participation beginning in 2000)

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

- Variable contributions began in 2000
- 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: $4,689.98**

| *Employer variable match (pre-settlement)* | *Employer variable match (post-settlement)* |
|---|---|
| **$4,689.98** | **$4,731.42** |

Because the annual variable contributions invested in the regular account would have earned **more** than contributions invested in the variable account, the employer portion of the variable account balance upon retirement would be **$41.44 higher** 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 **$41.44** difference would **increase** the monthly retirement benefit as follows:

| AGE @ RETIREMENT | PROJECTED INCREASE IN MONTHLY BENEFIT |
|---|---|
| 55 | $0.31 |
| 58 | $0.32 |
| 60 | $0.33 |
| 62 | $0.34 |
| 65 | $0.36 |