MSRS Minnesota State Retirement System



POST Plan Overview Fall 2026

Probation Officer & Public Safety Telecommunicator Plan

Agenda

- About MSRS
- Probation Officer & Telecommunicator (POST) Plan and General Plan
- What does this change mean for me?
- Planning ahead: purchasing past service, retirement options, life events, and resources



MSRS Members

Getting to know MSRS:

- Minnesota State Retirement System – a State Agency
- Administers 5 defined benefit pension plans and 4 defined contribution plans

Not Contributing to MSRS?

- TRA or PERA may be your pension administrator

90%

of State employees are in the General Employees Retirement Plan

Minnesota Deferred Compensation Plan (MNDCP)

Provides a voluntary retirement savings plan for public employees.

Health Care Savings Plan (HCSP)

Offers tax-free reimbursement of eligible post-employment medical expenses.

Preparing for Retirement



- Income replacement
  - MSRS pension replaces a portion
  - Social Security replaces another portion
- Never too late to start saving
  - MNDCP (457) account
  - Personal savings
- Plan ahead for health insurance costs
- Work longer in public service
- Pay off debt to increase disposable income

Pension Plans Summary

Set monthly benefit for life

- Formula based
- Not tied to market performance

Participation is required

- State law dictates your pension plan

Shared contributions

- Employee Contributions
- Employer Contributions

POST Plan Overview

- The POST Plan is effective January 1, 2027 for eligible positions
- Employees age 60 or older on January 1, 2027 with 3+ years of service remain in the General Plan
- Prior General Plan service stays in the General Plan; eligible service may be purchased into the POST Plan

Effective

Jan 1, 2027

POST Plan Eligibility

Mandatory membership for probation officers and public safety telecommunicators, such as:

- Corrections agent (career, senior)
- Corrections field service district supervisor
- Corrections community services regional director
- Corrections field services director
- Radio communications operator
- Radio communications supervisor
- Public safety answering point (PSAP) manager
- Supervisor, transit control center

Contribution Rates

Plan	Employee	Employer
General Plan	6.0%	6.25%
POST Plan	8.0%*	8.25%

- **Percentage of gross salary**
- **You and your employer contribute**

**8.0% effective January 1, 2027*
8.71% beginning September 1, 2028

Am I automatically eligible for a retirement benefit?

- Vesting is the time required to be eligible for a lifetime pension benefit
- POST Plan vesting: three years service
- Other plan service counts toward vesting



Pension Benefit Factors

Service Credit × **High-5 Salary** × **Benefit Multiplier** × **Possible Reduction**

= Monthly Pension Benefit

SERVICE CREDIT

- Credit for every month deductions are taken from pay
- Part-time (<50%) is pro-rated
- Workers' compensation leaves of absence
- Leaves of absence, if purchased
- Repaid refunds

HIGH-5 SALARY

- Average monthly salary over your highest five successive years
- Based on total gross salary
- NOT reduced by contributions to your MNDCP or HCSP account
- Excludes unused vacation and sick leave payouts

Formula used to calculate your pension benefit

General Plan

1.7%

service through June 2025

1.9%

service earned after June 2025

POST Plan

1.9%

service starting January 2027

1.9%

eligible service purchased at actuarial cost

Full Retirement Age and Reductions

General Plan

66

full retirement age
(hired after 7/1/1989)

POST Plan

60

full retirement age:
no reduction at 60

Earliest age

55

with 3 years of service
for most members

A reduction applies if you collect your pension benefit before your full retirement age. The further you are from full retirement age, the larger the reduction.

Additional Pension Features

Survivor Options

When you apply, you can choose a single-life or a joint-and-survivor pension benefit.

Post-Retirement Increases

Each year you receive a 1.75% increase in your pension benefit.

(first increase is pro-rated)

Benefit Is Taxable

You pay federal and state (if applicable) taxes on your pension benefit.



What does this mean for me?

General Plan Service + POST Plan Service

MSRS Minnesota State Retirement System

POST Enrollment Timeline

January 1, 2027

8% contribution begins.

Late January

MSRS receives payroll data showing your POST Plan enrollment.

Mid-February

Receive a confirmation letter indicating POST Plan enrollment.

After that you may contact MSRS to request a benefit calculation.

POST Plan Benefit Comparison

Factor	General Plan	POST Plan
Multiplier	1.7% through June 2025 1.9% after June 2025	1.9% for service starting January 2027
Full retirement age	66 (hired after 7/1/1989)	60
Early retirement age	55	55
Contributions	Employee 6.0% Employer 6.25%	Employee 8.0%* Employer 8.25%
Vesting	3 years; other plan service counts	3 years; other plan service counts

**8.71% beginning September 1, 2028*

Meet Anita

- Currently age 55
- 25 years State employment
  - 15 years at MnDOT (General Plan)
  - 10 years as a Probation Officer (General Plan)
- Works 5 more years as a Probation Officer under the POST Plan
- Retires at age 60
- High-5 salary: $5,660 per month



Anita: General Plan Only

30 years × **$5,660 monthly high-5** × **1.7% / 1.9% multiplier** × **0.5744 early retirement**

Pension at age 60 = $1,700 per month

(23.5 years x 1.7% + 6.5 years x 1.9%) × $5,660 × 0.5744 = $1,700

Anita: General & POST Plan

Factor	General Plan	POST Plan
Years of service	25	5
High-5 salary (monthly)	$5,660	$5,660
Multiplier	1.7% / 1.9%	1.9%
Reduction at age 60	0.5744	N/A
Monthly benefit	$1,391	$537

Pension at age 60: $1,928 per month

For illustrative purposes only. Your actual results will vary based on your retirement date.

POST Past Service Purchase

1. Option to purchase prior eligible service from the General Plan into the POST Plan
2. Purchased at actuarial cost
3. All purchased service uses the 1.9% benefit multiplier
4. Pre-tax dollars only (such as MNDCP): no personal checks or Roth dollars
5. $250 up-front cost for preparing the calculation

Sample Purchase Cost Amounts

Cost of past service transfer from General Plan to the POST Plan:

Age	3 years	10 years	20 years	25 years
30	$7,845	-	-	-
35	$9,487	$28,917	$53,987	-
45	$13,507	$42,238	$79,476	-
55	$17,826	$60,002	$118,054	$147,086

Based on Current Salary of $60,000

Cost examples are for illustrative purposes only and are intended to provide an estimate of the potential cost. The actual cost may be greater than the samples provided.

Anita: General + POST at Age 60 (with purchase)

Factor	General Plan	POST Plan
Years of service	15	15
High-5 salary (monthly)	$5,660	$5,660
Multiplier	1.7%	1.9%
Reduction at age 60	0.5744	N/A
Monthly benefit	$829	$1,613

Pension at age 60: $2,442 per month
(General Plan only: $1,700)

For illustrative purposes only. Your actual results will vary based on your retirement date.

Mixed Service

Service under multiple MSRS plans

- Applies to General Plan, POST Plan, and Correctional Plan service
- Must terminate from all plans to start collecting
- May collect at different ages to take advantage of different plan rules
- All plans use the highest 5-year wages

Example

- Collect POST Plan at age 60
- Collect General Plan at age 66
- Same high-5 salary is used

Anita: Defer the General Plan to Age 66

Factor	POST Plan (starts at 60)	General Plan (starts at 66)
Years of service	15	15
High-5 salary (monthly)	$5,660	$5,660
Multiplier	1.9%	1.7%
Reduction	N/A	N/A
Monthly benefit	$1,613	$1,443

Pension at age 66: $3,056 per month

For illustrative purposes only. Your actual results will vary based on your retirement date.

Anita: Work Until Age 66

Factor	General Plan	POST Plan
Years of service	15	21 (10 purchased + 11 worked)
High-5 salary (monthly)	$7,000	$7,000
Multiplier	1.7%	1.9%
Reduction at age 66	N/A	N/A
Monthly benefit	$1,785	$2,793

Pension at age 66: $4,578 per month

For illustrative purposes only. Your actual results will vary based on your retirement date.

Life Changes

Life events that can affect your pension:

- Disability
- Marriage / Divorce
- Leaves of absence
- Death benefits
- Working after retirement

Talk with an MSRS retirement specialist about how these events affect your benefit.

POST Plan Summary

Effective January 1, 2027

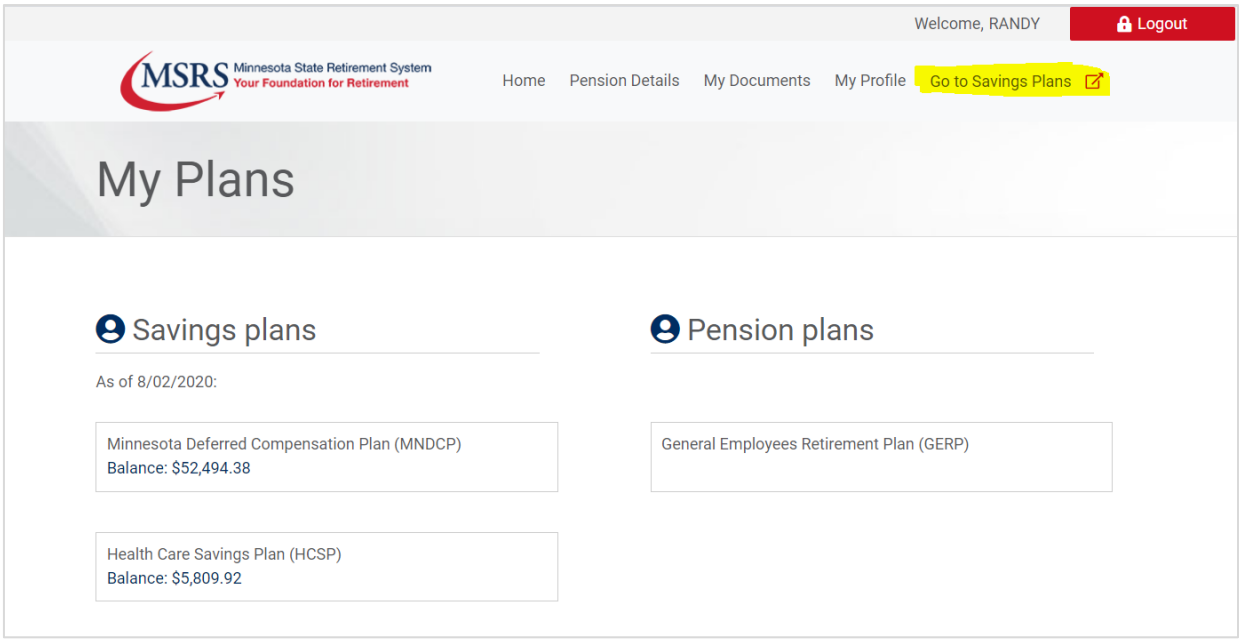
Full retirement age of 60 means no early retirement reduction on your POST Plan pension

Contribute 8%
(8.71% beginning September 1, 2028)

Option to purchase prior eligible service from the General Plan into the POST Plan

Your Account Online





Log in at www.mnretire.gov

View plan information and toggle to your MNDCP & HCSP account information.

CONTACT US

- **Website:** www.mnretire.gov
- **Phone:** 1.800.657.5757 or 651.284.7730
- **Appointment:** Log in to your account to make an appointment with a retirement specialist

VISIT AN OFFICE

- **St. Paul:** 60 Empire Drive, Suite 300
- **St. Cloud:** 4150 2nd Street South, Suite 330
- **Mankato:** 11 Civic Center Plaza, Suite 150
- **Detroit Lakes:** 714 Lake Ave, Suite 102
- **Duluth:** 525 S Lake Ave, Suite 325

Disclaimer:

This presentation is a general summary of MSRS benefit provisions. The benefits described apply to active members of the plan at the date of this webinar. The information provided does not amend or overrule any applicable statute or administrative rules. In the event of a conflict, the applicable statute or administrative rule will prevail.

Questions?

MSRS Minnesota State Retirement System

Phone: 1.800.657.5757 or 651.284.7730

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