

2011 Tier

Civilian members hired for the first time on or after January 1, 2011

MPERS is a defined benefit (DB) retirement plan for employees of the Missouri Department of Transportation and the Missouri State Highway Patrol. As a member of a DB plan, your future retirement benefit is not based on how much you contribute to the plan, it is based on a formula.



The formula uses total **service credit**, **final average pay (FAP)**, and a **multiplier** set by law. **Final average pay** is the average of your highest 36 consecutive months of pay. Using this formula, MPERS produces a **base benefit** amount that retirees receive every month for the rest of their lives. In addition to the **base benefit**, those who qualify for normal retirement and retire directly from active service prior to age 62 will receive a **temporary benefit** that is similarly calculated with a different multiplier. The **temporary benefit** is received until a member reaches age 62.

Service credit can include years and months of employment, unused sick leave, and purchased or transferred service.

As a retiree, you will receive an annual **cost-of-living adjustment (COLA)** every year. This adjustment ranges from zero to five percent and is determined by the Consumer Price Index (CPI-U).

Below is an example of the potential value and impact the MPERS retirement benefit has on your future. Together with social security and personal savings, your MPERS benefit will help you have a secure and reliable retirement.

Assumptions Used	
Service 30 years	Final Average Pay (FAP) \$3,500
Age 60	Temporary Benefit Multiplier .008
Base Benefit Multiplier .017	Employee Contributions \$50,400
Average COLA 1.5%	Length of Retirement 25 years

Benefit Calculations	
Service x Final Average Pay (FAP) x Multiplier	
30 X \$3,500 X .017 = \$1,785	Initial Base Benefit
30 X \$3,500 X .008 = \$840	Initial Temporary Benefit
$\$1,785 \text{ Base Benefit} + \$840 \text{ Temporary Benefit} = \$2,625$ <small>For Life Until Age 62 Total Monthly Benefit</small>	
Total Benefit Received Over 25 Years \$664,262	
Total Employee Contributions \$50,400	

As a member of the MPERS 2011 Tier, a four percent **employee contribution** is required to help fund your future retirement benefit.

If you leave state service prior to becoming **vested** or prior to reaching normal retirement eligibility, refunds of your contributions can be requested. However, once a refund has been processed, all service credit and future retirement benefits are forfeited.



Serving those who keep us safe.

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