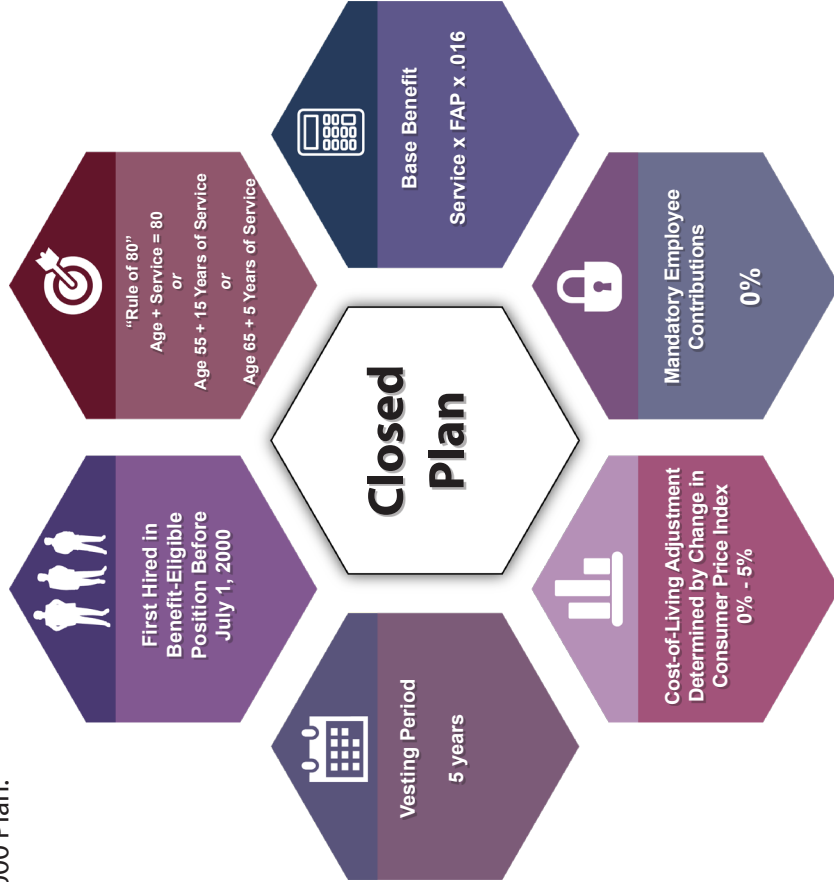


Closed Plan

Civilian members hired for the first time before July 1, 2000

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. Members of the Closed Plan may choose to retire under the Closed Plan or the Year 2000 Plan.



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.

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

As a member of the Closed Plan, no **employee contributions** are required. Your retirement is funded by MPERS and your employer.

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 25 years	Age 55
Final Average Pay (FAP) \$3,500	
Employee Contributions \$0	
Average COLA 1.5%	Base Benefit Multiplier .016
	Length of Retirement 30 years
Benefit Calculations	
Service x Final Average Pay (FAP) x Multiplier	
25 X \$3,500 X .016 =	\$1,400 Initial Base Benefit
Total Monthly Lifetime Benefit \$1,400	
Total Benefit Received Over 30 Years \$630,650	
Total Employee Contributions \$0	

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). If hired before August 28, 1997, Closed Plan retirees will receive a four percent guaranteed minimum COLA for approximately the first 12 years of retirement.

