Closed Plan

Uniformed 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.

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**

<table>
<thead>
<tr>
<th>Service</th>
<th>Final Average Pay (FAP)</th>
<th>Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>25 years</td>
<td>$4,000</td>
<td>55</td>
</tr>
</tbody>
</table>

**Employee Contributions**

- 0%

**Average COLA**

- 1.5%

**Base Benefit Multiplier**

- .016 and 1.333333

**Length of Retirement**

- 30 years

**Benefit Calculations**

\[
\text{Initial Base Benefit} = \text{Service} \times \text{Final Average Pay (FAP)} \times \text{Multiplier} \\
= 25 \times \$4,000 \times 0.016 \times 1.333333 = \$2,133
\]

**Total Monthly Lifetime Benefit**

- $2,133

**Total Benefit Received Over 30 Years**

- $960,988

**Total Employee Contributions**

- $0

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**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.

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.