

Retirement Benefit Calculation

MPERS is a governmental “defined benefit” plan. In a defined benefit plan, your benefit will be calculated using a formula that is set by law.

$$\text{Credited Service} \times .017 \times \text{Final Average Pay} = \text{Base Benefit}$$

Credited Service - your years and full months of credited service

Multiplier - currently 1.7%; set by law

Final Average Pay - your highest 36 consecutive months of pay

The more service you have and the higher your pay, the higher your retirement benefit. If you have prior nonfederal, public sector service that was performed in Missouri, please contact a MPERS benefit specialist. If you retire directly from active service we will add your unused sick leave to your credited service.

Vesting Requirement 104.1091.7

When you earn 5 years of credited service, you will be considered vested, which means you will be eligible for retirement benefits at some future date.

BackDROP 104.1091.11

The BackDROP provision is **not** available in the 2011 Tier.

Divorce and Your MPERS Benefit

Your retirement benefit from MPERS may be considered “marital property.” If you have been married at any time while an active member of MPERS and are considering a divorce, your spouse may be legally entitled to receive up to 50% of your retirement benefit earned while married. However, in order for there to be a benefit to divide, you must be “vested” with at least 5 years of service on the date of your divorce. Divorced members with a Division of Benefits Order (DBO) on file at MPERS are not eligible to request a refund of employee contributions.

Death Before Retirement 104.1091.8(7)

If you die prior to becoming vested (at least 5 years of service), your beneficiary can request a refund of your employee contributions. You can update your beneficiary designation(s) at any time by completing and submitting a *Designation of Beneficiary for Employee Contributions* form, which is available on MPERS’ website.

If you are “vested” and die prior to retirement, the spouse to whom you are married on the date of your death will be eligible to receive a monthly survivor benefit calculated according to the Joint & 100% Survivor Option.

If there is no eligible surviving spouse, a total of 80% of your monthly base benefit, in equal shares, will be paid to your dependent children under age 21.

Death After Retirement 104.1091.10

At retirement, you must elect a benefit payment option on your *Retirement Election Form*. This election determines whether or not a benefit will be paid to anyone after your death.

The benefit payment options include:

1. Life Income Annuity
No benefits payable to anyone after your death.
2. Joint & 50% Survivor
Eligible spouse will continue receiving 50% of your monthly benefit.
3. Joint & 100% Survivor
Eligible spouse will continue receiving 100% of your monthly benefit.
4. Life Income with 120 Guaranteed Payments
Benefit payable to member for life. Beneficiary will receive remainder of 120 payments (if any).
5. Life Income with 180 Guaranteed Payments
Benefit payable to member for life. Beneficiary will receive remainder of 180 payments (if any).

MoDOT & Patrol Employees’ Retirement System

Mailing Address

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Business Hours

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mpers@mpers.org

Website

www.mpers.org

This brochure briefly describes the provisions of the 2011 Tier. The information in this brochure does not amend or overrule any applicable statute or administrative rule. In the event of a conflict, the applicable statute or administrative rule will prevail.

Statutory references are provided when appropriate.

February 2018

Members hired for the first time, in a benefit eligible position, on or after January 1, 2011.

2011 Tier



Your at-a-glance guide to the 2011 Tier benefit provisions.



MoDOT & Patrol Employees’ Retirement System

Introduction 104.1091

During a special legislative session in 2010, a contributory tier of the Year 2000 Plan was introduced and signed into law. This new contributory tier was named the 2011 Tier.

This brochure **briefly** highlights the **primary** benefit provisions of the 2011 Tier. Benefit provisions not specifically contained in Section 104.1091, RSMo, are the same as the Year 2000 Plan (contained in Sections 104.1003 to 104.1093).

2011 Tier Members 104.1091.1

You are a 2011 Tier member if you:

- Were first hired in a benefit eligible position on or after January 1, 2011; and
- Have never worked for a state agency covered by MPERS or MOSERS prior to January 1, 2011.

Credited Service

You will earn one day of credited service for each day you work in a “position” normally requiring the performance of duties of at least 1,040 hours per year. Your employer determines if the “position” you are working in is benefit eligible.

Employee Contributions 104.1091.8

You and your employer share in the cost of funding your retirement benefit through contributions.

Each pay period, 4% of your pay is deposited into your individual account with MPERS. By law, interest is earned on your account each June 30, paid on your account balance on July 1 of the previous year. Interest will be paid annually unless you leave state employment prior to becoming vested, retire, or die.

Requesting a Refund of Your Employee Contributions 104.1091.8(6)

If you leave state employment prior to retirement, you may request a refund of your employee contributions. The refund will be paid **after** 90 days from your date of termination or submission of a *Request for Refund of Employee Contributions* form, whichever is later. **If you think you might return to work for the state at some time in the future, we recommend that you consider foregoing a refund of your contributions.**

If you elect a refund of contributions, you will forfeit all credited service and rights to benefits from MPERS. Married members must have the written consent of your spouse to request a refund.

Members who are **NOT** eligible for a refund of contributions include:

1. Former vested members who are eligible for normal retirement (or their survivors).
2. Members on disability.
3. Members with a Division of Benefits Order (DBO) on file at MPERS related to a divorce.

The *Request for Refund of Employee Contributions* form is available by contacting a MPERS benefit specialist.

Repayment of Refund to Buy Back Your Service 104.1091.8(6)

If you request a refund of your employee contributions and later return to work for the state, in a benefit eligible position, you will have an opportunity to buy back your forfeited service. After working continuously for at least 1 year, your forfeited service will be restored after paying back the refunded amount, plus interest. The pay back will be more than the refund you received.

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Benefit Provision	Summary of Provision
Vesting Requirement	<ul style="list-style-type: none">• 5 years (if active on or after January 1, 2018)
Normal Retirement Eligibility	<ul style="list-style-type: none">• Age 67 with 5 years of service• “Rule of 90” - minimum age 55 with member age + service = 90 or more (<i>cannot “grow” into the Rule of 90 if you leave before retirement</i>)
Uniformed Patrol Normal Retirement Eligibility	<ul style="list-style-type: none">• Age 55 with 5 years of service• Mandatory retirement at age 60 (no minimum service amount)
Vested Former Member Normal Retirement Eligibility	<ul style="list-style-type: none">• Age 67 with 5 years of service (<i>cannot “grow” into Rule of 90</i>)
Temporary Benefit	<ul style="list-style-type: none">• Must retire under “Rule of 90”• Temporary benefit and COLAs earned on that amount stop at age 62
Uniformed Patrol Temporary Benefit	<ul style="list-style-type: none">• Retire at age 55 or age 60 (see normal retirement eligibility requirements above)• Payable until age 62
Early Retirement Eligibility (<i>Benefit reduced .5% for each month you retire early.</i>)	<ul style="list-style-type: none">• Age 62 with 5 years of service
Uniformed Patrol Early Retirement Eligibility	<ul style="list-style-type: none">• Not eligible for early retirement
Vested Former Member Early Retirement Eligibility	<ul style="list-style-type: none">• Not eligible for early retirement
Transfer of Service Between MPERS and MOSERS (<i>Tell MPERS if you received a refund from MOSERS.</i>)	<ul style="list-style-type: none">• If eligible, can transfer service and employee contributions between systems (contact MPERS)
Purchasing Prior Service (<i>If you have prior public service credit, please contact a MPERS benefit specialist for details of how to obtain.</i>)	<ul style="list-style-type: none">• Can purchase full-time, non-federal public sector service under Section 105.691 at full actuarial cost• Cannot purchase military service
Employee Contributions (4%) <i>You will have an individual account at MPERS.</i>	<ul style="list-style-type: none">• Your pay check will be reduced by 4% for employee contributions (pre-tax)• Your gross pay (before contribution deduction) will be used to determine your final average pay (highest 36 months of salary)
Annual Interest on Employee Contributions (<i>By law, interest rate equal to the investment rate published by the U.S. Department of Treasury for 52-week Treasury Bills, nearest to the preceding July 1st.</i>) <i>If not vested, must be employed on June 30 (or last working day of June) to receive interest.</i>	<ul style="list-style-type: none">• Interest credited each year on June 30• Calculated on the balance of your account as of July 1 of the previous year• Annual interest will stop when you leave state employment prior to becoming vested, retire or die• If not vested, must be employed on June 30 (or last working day of June) to receive interest

For more information regarding your retirement benefit provisions, please contact a MPERS benefit specialist or refer to the Year 2000 Plan and 2011 Tier Retirement Handbook at www.mpers.org.