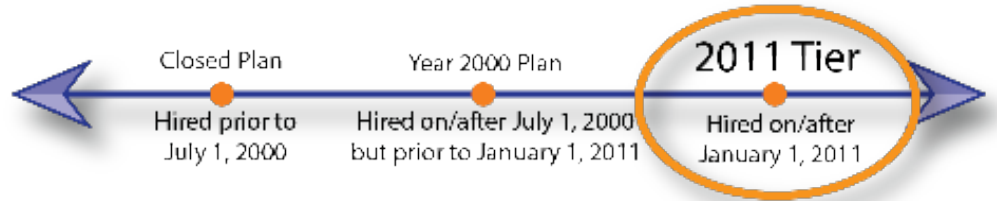


A Summary of the 2011 Tier

Vesting Requirements

Members are considered vested when they have worked five years* in a benefit-eligible position. Vested members are eligible to receive a future monthly retirement benefit from MPERS once minimum age and service requirements are met.



Retirement Eligibility Requirements

To qualify for retirement, members must reach certain age and service requirements detailed in the following table.

Normal Retirement—Civilian Members	Rule of 90 or age 67 with at least five years of service
Normal Retirement—Uniformed Patrol Members	Age 55 with at least five years of service or mandatory retirement at age 60
Normal Retirement—Vested-Former Member	Age 67 with at least five years of service
Early Retirement	Age 62 with at least five years of service

To qualify for normal retirement eligibility under the Rule of 90, members must be at least 55 years of age and their service credit plus their age must equal 90.

Vested-former members include members who are vested, but terminated employment with MoDOT, the Highway Patrol, or MPERS prior to reaching normal retirement eligibility. Vested-former members are not eligible to retire under the Rule of 90.

Members who choose early retirement will see a .5% reduction in their monthly benefit for each month prior to normal eligibility that they retire.

Retirement Benefit Calculation

MPERS is a 401(a) governmental defined benefit pension plan. In a defined benefit plan, your benefit is calculated using a formula set by law. The formula includes credited service, a multiplier, and final average pay (FAP). The 2011 Tier multiplier is 1.7%.

$$\text{Credited Service} \times 1.7\% \text{ Multiplier} \times \text{Final Average Pay} = \text{Base Benefit}$$

Unused Sick Leave Credit

You will receive one month of credited service for every 168 hours of unused sick leave reported to MPERS by your employer if you terminated after you reached early or normal retirement eligibility or retired directly from active employment.

**The vesting requirement for the 2011 Tier was updated in January 1, 2018 from ten-year vesting to five-year vesting if the member was actively employed on or after January 1, 2018.*



Temporary Benefit

The temporary benefit is available to members who retire under the rule of 90 and is designed to provide supplemental income until age 62 when you are eligible for reduced social security benefits. The temporary benefit and any cost-of-living adjustments (COLAs) earned on the amount end at age 62. The temporary benefit multiplier is .8%.

Survivors and members electing early retirement are not eligible for the temporary benefit.

$$\text{Credited Service} \times .8\% \text{ Multiplier} \times \text{Final Average Pay} = \text{Temporary Benefit}$$

Benefit Payment Options

During the retirement process, you will choose a benefit payment option on the *Step 2: Retirement Election Form*. This election determines if a survivor will receive benefit payments **after** your death.

<p style="text-align: center;">Life Income Annuity</p> <p>Benefit payable to member for life. No continuing benefits are payable after your death.</p>	<p style="text-align: center;">Joint & 50% Survivor</p> <p>Reduced benefit payable to member for life. Eligible spouse will continue receiving 50% of your monthly base benefit at time of death.</p>	<p style="text-align: center;">Joint & 100% Survivor</p> <p>Reduced benefit payable to member for life. Eligible spouse will continue receiving 100% of your monthly base benefit at time of death.</p>	<p style="text-align: center;">Life Income with 120 Guaranteed Payments</p> <p>Reduced benefit payable to member for life. If you pass away prior to receiving 120 payments, the beneficiary will receive the remaining base benefit payments.</p>	<p style="text-align: center;">Life Income with 180 Guaranteed Payments</p> <p>Reduced benefit payable to member for life. If you pass away prior to receiving 180 payments, the beneficiary will receive the remaining base benefit payments.</p>
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BackDROP

Members of the 2011 Tier are not eligible for the BackDROP payment option.

Your Employee Contributions

The cost of the 2011 Tier is funded jointly by you and your employer. Each pay period, a four percent contribution is deducted from your pay to help fund your retirement benefits. These contributions are paid into your individual account with MPERS.

If you are an active or vested-former member, you will earn interest payable on June 30 of each year based on your account balance as of July 1 of the previous year. Annual interest stops accruing when you retire, decease, or leave state employment prior to vesting. Once a member retires, benefit payments are paid first from employee contributions. Once employee contributions have been depleted, monthly benefit payments will continue until the member or survivor passes away, whichever is applicable.

Refund of Employee Contributions

If you request a refund of your employee contributions, you will forfeit all rights to benefits for that period of service. Refunds will be paid after 90 days from the date you leave state employment or MPERS receives your refund request, whichever is later.

For information regarding the tax consequences of taking a refund, we recommend that you consult a tax professional. Tax information may also be found in our *Special Tax Notice* brochure, available at www.mpers.org.



If you are married at the time you request a refund of employee contributions, your spouse must consent to your election by signing the *Request for Refund of Employee Contributions* form where indicated. In the event there are no survivor benefits payable upon the death of a member, a refund may be payable to a beneficiary in the amount of any unpaid contributions (plus interest).

There are circumstances when members are not eligible for refunds:

- members eligible for normal retirement
- members on disability
- members with a Division of Benefits Order on file
- vested-former members, and their survivors, who are eligible for normal retirement

If you later return to work for the state in a benefit-eligible position, you may elect to reinstate the forfeited service after working continuously for at least one year and paying back the amount refunded plus interest.

Cost-of-Living Adjustments (COLAs)

Cost-of-living adjustments are based on 80% of the change in the Consumer Price Index (CPI-U) and can range from zero to five percent. COLAs are paid on the anniversary of retirement.

Divorce and Your MPERS Benefit

Once you are vested, retirement benefits from MPERS may be considered marital property and may be subject to a division of benefits order. In the event of a divorce, the ex-spouse may be legally entitled to receive up to 50% of the retirement benefit earned while married.

Death Before Retirement

Non-Duty-Related Death

If you are vested and pass away 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 payment 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 eligible surviving children under age 21.

Duty-Related Death

If you pass away while actively employed and your death is determined to be duty-related, the spouse to whom you are married on the date of death will receive a minimum survivor benefit equal to 50% of your final average pay.

If there is no eligible surviving spouse, eligible surviving children under age 21 will receive the benefit. There is no minimum service requirement for duty-related death survivor benefits.

Death After Retirement

Post-retirement survivor benefits are determined by the payment option elected at retirement.

Vested-Former Members

Vested-former members are those who left employment with MoDOT, MSHP or MPERS prior to becoming eligible for normal retirement, yet are eligible to receive a retirement benefit at a future date.

Death Before Retirement

If a vested-former member passes away prior to reaching retirement eligibility, the surviving spouse will become eligible to receive survivor benefits when the vested-former member would have become eligible to receive benefits.

Unused Sick Leave Service Credit

Unlike active members, vested-former members do not accrue service credit for unused sick leave.

Cost-of-Living Adjustments (COLAs)

COLAs for vested-former members are calculated the same as members who retired directly from active service; however, the first COLA is applied on the second anniversary of the retirement date. Subsequent COLAs are applied annually during the anniversary month of retirement.

